

DUN & BRADSTREET MONTHLY REVIEW

SEPTEMBER, 1934

Industrial Surveys:

Radio

Hardware

Paint and Wallpaper

Analyses of August Failure Figures

Graphic Reviews of Major Trends

Published by
DUN & BRADSTREET, INC.
NEW YORK CITY

Fifty cents a Copy

1871 **TIME TABLE** 1871
Third Ave. R. R. Drawing Room Car.

DOWN.				STREETS	UP.			
A.M.	A.M.	P.M.	P.M.		A.M.	P.M.	P.M.	P.M.
7:30	10:00	1:30	4:00	Leave 100th St. Arrive	7:15	1:15	4:15	4:30
7:45	10:15	1:45	4:15	Leave 90th St. Arrive	7:30	1:30	4:30	4:45
8:00	10:30	2:00	4:30	Leave 80th St. Arrive	7:45	1:45	4:45	5:00
8:15	10:45	2:15	4:45	Leave 70th St. Arrive	8:00	1:50	4:50	5:15
8:30	11:00	2:30	5:00	Leave 60th St. Arrive	8:15	2:00	5:00	5:30
8:45	11:15	2:45	5:15	Leave 50th St. Arrive	8:30	2:10	5:10	5:45
9:00	11:30	3:00	5:30	Leave 40th St. Arrive	8:45	2:20	5:20	6:00
9:15	11:45	3:15	5:45	Leave 30th St. Arrive	9:00	2:30	5:30	6:15
9:30	12:00	3:30	6:00	Leave 20th St. Arrive	9:15	2:40	5:40	6:30
9:45	12:15	3:45	6:15	Leave 10th St. Arrive	9:30	2:50	5:50	6:45
10:00	12:30	4:00	6:30	Leave 1st St. Arrive	9:45	3:00	6:00	7:00

THE CAR WILL NOT RUN ON SUNDAY.
TO THE 100TH ST. STATION, LEAVE THE CAR AT THE 100TH ST. STATION.
TICKETS 10 CENTS. TO THE 100TH ST. STATION, TICKETS 15 CENTS.

WHEN THE THIRD AVENUE R.R. BOASTED OF DRAWING ROOM CARS

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When we reflect upon the present day packed cars of our rapid transit system, we perhaps sometimes long for the comfort of the old days. Yet the compensating feature of speed more than offsets the degree of discomfort endured. Today, speed is such a prime factor in business life and practice that other elements of lesser importance in the general scheme of things are sacrificed to provide it right-of-way.

Speed alone, however, is futile if attended with even the slightest degree of inaccuracy, incompleteness or slovenliness.

Conscious of the importance of speed with accuracy in serving the credit community, Dun & Bradstreet, Inc. employs every device and method of operation available to assure members of the highest degree of efficient service. The very nature of the business of Dun & Bradstreet, Inc., permits of no deviation from the exacting standards so rigidly set and followed in every department throughout the organization.

DUN & BRADSTREET, Inc.

THE MERCANTILE AGENCY

The Oldest and Largest Mercantile Agency in the World

290 Broadway

New York City

ESTABLISHED 1841



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THE ACTIVITY BAROMETER



September 5, 1934 59.7 August 1, 1934 62.8

The Business Activity Barometer, as compiled by DUN & BRADSTREET, INC., receded steadily during August. The fifth successive weekly decrease reduced it to 59.7 for the week ended September 5. This was a drop of .8 points from the week preceding, and was the lowest point registered since the week of November 22, 1933. It is only 8.4 per cent under the position of 65.2 for the corresponding week of 1933, against a loss of 13.4 per cent in the August 1 comparison.

Week	Barometer
September 6, 1933.....	65.2
August 1, 1934.....	62.8
August 8, 1934.....	62.7
August 15, 1934.....	61.7
August 22, 1934.....	61.6
August 29, 1934.....	60.5
September 5, 1934.....	59.7

THIS ISSUE

One of the surprising merchandising achievements of the Summer was the steady upward course of radio sales, which give promise of establishing a new peak during the current year. This substantial gain, according to the survey made, was not attributable to the stimulus of low prices, as these have held steady, but almost entirely to the widening popularity of the radio, aided by the constant improvement in the entertainment provided by broadcasting companies, and the new short-wave sets.

Showing a rise of 25.8 per cent from the level of a year ago, the rapid increase in foodstuff prices is occupying the attention of both manufacturers and merchants, because of the effect on consumer purchasing power for other necessities. The chart, which appears with this summary of food prices in the "Graphic Reviews of Major Trends," reveals that throughout 1934 the comparative Weekly Food Index of both 1933 and 1932 has been exceeded, and on September 4 touched \$2.40, the highest figure recorded since January 29, 1931.

In the analyses of the monthly statement of business failures in the United States, the decided change for the better in all groups is indicated by the difference between the record for 1934 and that for every year back to 1920. With the exception of July, the August total was lowest since October, 1920.

RADIO SALES TO ESTABLISH NEW PEAK IN CURRENT YEAR

INTEREST in radios now has reached the highest pitch in several years, and some retailers describe current demand as measuring up to that when satisfactory sets were first so widely distributed back in 1924. Instead of the usual lull, the trend of sales during the Summer continued

steadily upward, although at a slower rate than during the first six months of the year. For, wholesale and retail volume during that period rose 50 to 75 per cent above the level reached during the comparative months of 1933, and with some of the large distributors the increase ran as high as 100 to 150 per cent for several of the nationally-known sets.

This substantial gain is not attributable to the stimulus of low prices, as these have held steady, but almost entirely to the widening popularity of the radio, aided by the constant improvement in the entertainment provided by broadcasting companies, the achievement of manufacturers in bringing the short-wave sets within the reach of the average buyer, and the possibility of enjoying satisfactory programs throughout the entire twenty-four hours of the day.

Based on the advanced inquiries for new merchandise, volume during the second six months of the current year will run ahead of the comparative figures for 1933 by 25 to 40 per cent, despite the smaller returns from the drought-stricken areas, as retailers in all parts of the country are expecting demand to swing abruptly upward, as soon as the new models will have been displayed. This will bring sales for 1934 to a conservatively-estimated total of 4,550,000 sets, as com-

Constant improvement in form of entertainment broadcast by the leading stations and ability to tune in on enjoyable programs at any hour of day or night lifting the sales of radios to best level reached in several years. All-wave sets popular. Stronger interest being displayed in high-priced units.

pared with the record of the peak year of 1929, when 4,439,000 sets were sold, with a retail value of \$592,068,000, less tubes. Sales of automobile radio sets alone are expected to run to 750,000 units.

Radio wholesalers are operating under the General Wholesaling Code and the supplementary Radio Wholesaling Code Authority will be functioning in all detail soon, which will lead to the elimination of some of the encumbering excrescences which have been retarding the progress of the trade.

Profits Becoming General

Gross revenues of broadcasting companies for the first six months of the year ranged from 25 to 50 per cent higher than in 1933, with the percentage of gain during the third and fourth quarters expected to be equally as large. As deficits of the year preceding have been replaced by profits, the cash position of the leading manufacturers has been improved, and with the present firmness of prices and the greater stability of the listed securities of these companies, 1934 gives indication of closing with the industry, as a whole, in the best position reached in five years. While the decided improvement in general economic conditions has been the largest single factor in the remarkable showing made, the radio industry itself has contributed a major portion to the progress, due to the ceaseless ef-

forts of manufacturers to improve their product. Even during the unfavorable years of 1930 and 1931, new designs for the appearance and performance of the sets were being passed on constantly to consumers, thus maintaining employment and pay rolls at a relatively higher

degree than most of the other large industries.

In the Analysis of the 1933 Operating Averages of 229 Retailers of Radios, made by the Statistical Department of Dun & Bradstreet, Inc., it was found that a net profit was made by 142 concerns, or 62.01 per cent of the total number. These concerns had total 1933 net sales of \$3,151,700, or 72.57 per cent of the total volume. Of the 229 retailers reporting, with total 1933 net sales of \$4,342,700, a net loss was shown by only 87 concerns, or by 37.99 per cent of the total number. These concerns had total 1933 net sales of \$1,191,000, or 27.43 per cent of the total volume. In the analysis by Federal Reserve Districts, it was revealed that net profits were largest in Dallas, Kansas City, Philadelphia, San Francisco, Richmond, New York, and Cleveland, in the order named.

Consumer Interest Broadening

One of the most encouraging features of the current demand is the decided trend toward sets of the better grades. This is indicated by the fact that the average unit sales price is being raised steadily. The interest shown last year in sets which would pick up police stations rapidly is switching to those that will pick up foreign stations. The manufacturers are meeting this demand by producing moderate-priced sets

that are able to deliver foreign reception satisfactorily. The all-wave sets, along with automobile radios, have served chiefly to bolster volume thus far this year, although since the early part of June there has been a decided increase in the sales of portable sets.

Volume of sales during June and July in some of the Eastern States fell below the comparative totals of 1933, but in the Southwestern, Middle Western, and South Atlantic States, gains of 15 to 20 per cent were reported generally for these two months. In the Pacific Coast States, the strike of the longshoremen, which started early in May and was not settled until the middle of July, brought sales practically to a standstill in the major distributing centers. The demand for used sets has been only fair, but there has been considerable exchanging of old sets for new ones, with trade-in values necessarily low.

Price Advances Expected

Despite some weakness that has developed in the price structure, the leading manufacturers are holding to code prices, and any alterations in present listings are expected to be in an upward direction. Prices generally have been steady since the first of the year at a level ranging from 10 to 20 per cent above the 1933 quotations. The medium sets and automobile units have held unusually firm, the instances of weakness reported being almost entirely in period console types.

Careful supervision of credits now is practically universal in the radio field. Since the elimination of a considerable number of merchants whose chief efforts appeared to be the forcing of sales, regardless of collection difficulties, there has been either a tightening of credits or an insistence on such security as would provide manufacturers with the means of recovery. This has been the case particularly with merchants selling under the deferred-payment system.

Wholesale distributors have

been working in close unison with their suppliers, through which a close checking is possible. Very few repossession sales are being reported by retailers. Where slowness of collections has developed, merchants are endeavoring to obtain full payment or as large a down-payment as possible, so as to shorten the installment period.

Atlanta

Thus far for 1934 sales are estimated at 25 to 35 per cent over last year's. Some manufacturers have announced new models, with but little change in the price range. The best demand is for console models around \$50 and automobile units. Collections on the deferred-payment sales are good.

Baltimore

A substantial portion of the radio sales here has been in automobile and midget sets, which continue the best sellers. New Fall models, now making their appearance, are expected to awaken the market. Since the peak of

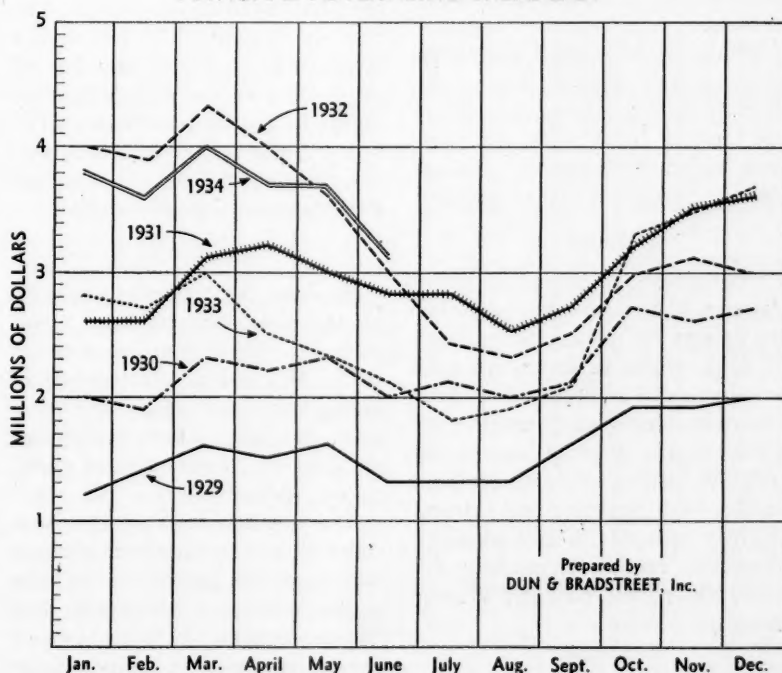
trade in this line ordinarily is reached during the last quarter, considerable improvement is looked for during the next few months.

Prices on large sets have shown some weakness in recent months, but are due to increase on new Fall models. Midget and automobile set prices have remained firm and will, in all probability, also show increases. Retail and installment collections are making a better showing than wholesale collections, which have not kept pace with general improved collections in most other lines.

Boston

There is very little manufacturing of radios carried on in this city. The many large distributors here report a distinct trend to the all-wave sets. This type of equipment and radio sets made up the bulk of the sales until the end of June, when a distinct trend developed toward the higher-priced console models. Collections, in both the retail and wholesale end of the business, are fair to good.

NATIONAL ADVERTISING BROADCAST *



(*) Based on statistics compiled by Denney Publishing Co. Since October, 1933, expenditures for national advertising broadcast have each month exceeded the comparative totals of the year preceding. In March, volume rose to \$3,998,000, shattering all records back as far as twenty-six months. For the first half of the current year, the gain over 1933 was 43.8 per cent.

Most of the wholesalers are optimistic over the Fall business prospects.

Cleveland

Wholesale and retail radio sales showed an increase during the first six months of 1934 estimated at 50 to 75 per cent, as compared with the first half of last year. One large distributor reported a gain of 150 per cent, although the general average was somewhat less. There are no large manufacturers in this section, but smaller producers have experienced a substantial increase in orders.

Medium-priced sets are in principal demand, which is in contrast with a year ago when volume was largely in lower cost units. The average retail selling price now is between \$50 and \$60. New lines will show a slight increase over last year's models.

Dallas

More radios are being bought than at this time a year ago, the increase in sales averaging around 10 per cent. Prices are unchanged. New models contain attractive improvements, which already are being reflected in a further upswing in sales.

While not anticipating any phenomenal business, due to the drought in this section, all dealers are looking forward to a reasonably active Fall season. Collections are reported fair to good.

Denver

Production of radios in value shows a 39 per cent increase over the figures for the first six months of 1933, while in units the gain amounts to 25 to 30 per cent. Distribution has been general, with units ranging in price from \$29.50 to \$39.50 leading. Prices have been stable, with the current trend slightly upward. The outlook is favorable for an expanding demand during the Fall and Winter months.

Detroit

While seasonal curtailment was not unexpected in the third quarter, the general trend in retail sales

of radio has been strongly upward all over the State, accelerated by automobile installations. Some weakness has developed in the price structure, though the leading manufacturers are holding to code prices.

Less than 10 per cent of the radio products is produced in Michigan. Sales, however, are gaining and are 30 per cent above the 1933 levels, with prospects promising for the balance of the year. The greatest demand is for those in the bottom and top price ranges. Table models, selling at \$40 and under, hold the lead.

Indianapolis

Table models still are selling in large volume, but there is a steadily stronger demand for the better qualities. This is indicated by the fact that the average unit sale price is increasing. The interest shown last year in sets that would pick up police stations rapidly is switching to interest in those that will pick up foreign stations.

Sets at moderate prices that will regularly and satisfactorily deliver foreign reception are now available. Furniture design has been improved considerably. The first six months of 1934 showed a large increase in the number of units sold and a still larger increase in the dollar volume. The sale of home radio sets will be considerably larger than it was last Fall, both in units and dollars.

Kansas City

Business for the first six months of the year was slightly better than for the first six months of 1933. While a fair number of high-priced instruments are being sold, the best sellers are in the medium to lower classed field; that is, \$100 and less.

The business now is in a seasonal slump, but advance surveys and inquiries indicate a fairly active volume for the Fall and Winter season. It is believed that there will be no particular change in the type of instruments sold during the next few months, but prices will be higher, with per-

haps a corresponding increase in dollar volume.

Memphis

Interest in radios is reported by dealers to be better than in several years, stimulated particularly by the development of the short-wave feature. After delays early in the season, manufacturers have caught up and now none are experienced. With the larger sales of automobiles has come a wider demand for sets. While sales in the medium-priced sets have been in the lead, a pick-up has been reported in the more expensive models, and there has been some falling-off in buying of the cheaper ones, due to the unsatisfactory and short-lived service. Demand for used sets has been only fair, and has come largely from the colored portion of the population.

Minneapolis

During the early months of this year there was a rather sharp upturn in the sales of distributors of nationally-advertised radio equipment, with volume running 25 per cent to 40 per cent above that of 1933. There was some falling-off during April and May, but increasing activity since the middle of June. Sales have appeared to closely follow the trend of crop conditions, which have been more encouraging in recent weeks.

Newark

Retail trade with radio dealers is quiet, seasonably so, but was of larger volume during the Spring months than last year. The greater part of sales consisted of machines listed in the lower brackets, and parts. Manufacturers of radio tubes report volume for the first six months this year as being about 20 per cent above that for the similar period of 1933, with collections fairly good.

Norfolk

While Norfolk is not a producing center, it distributes throughout southeastern Virginia and northeastern North Carolina, and it is in the latter section that the

greatest general gains have been recorded, particularly as to collections.

Sales are up over last year about 50 per cent, one distributor, with a very popular model, reporting a 100 per cent increase. Call, in the immediate past, has been for the very low and the very high-priced models, with the general trend toward the latter. Sales of automobile models show a steady increase.

There has been a price increase of about 10 per cent, and any change is expected to be toward a further advance. Collections, both wholesale and retail, show an improvement, particularly in the North Carolina agricultural sections, where farmers have received Government aid.

Philadelphia

Production of radios in this district thus far in the current year has been running steadily in excess of that for the comparative months of 1933. The best-selling items have been automobile radios and table models with four, five, and six tubes. The call for the high-priced models is decidedly stronger than it was during the Spring months.

The current trend of prices is firm, and any changes made in the near future are expected to be in an upward direction. While the further expansion of the radio industry is dependent upon the introduction of new designs and new products, it is the general belief that sales during the second half of the current year will run close to 25 per cent higher than the total set down for the last six months of 1933.

Quebec

There is no production of radios locally or in the Quebec district. Demand for the lower-priced sets has increased during the past few months, with only a limited call for the higher-priced models. Prices have increased a little, and are expected to rise further during the early Fall months. Dealers generally are anticipating an

active Fall and Winter trade, especially in the agricultural territory, where higher prices are being received for the reduced crops than was estimated at the beginning of the Summer.

Seattle

Jobbers and wholesalers of radios in this district report a substantial increase in volume of business for the first six months of 1934, when compared with that of 1933. The increase was not due to low prices, as quotations have held steady, and the demand has been principally in the better class of merchandise. One jobber, acting as distributor for a nationally-known radio, reports the increase in sales in excess of 100 per cent over the same period of 1933.

With retailers, sales rose continuously during the first four months of the year. Commencing with May, however, a marked sluggishness made its appearance, as the result of the longshoremen's strike all along the Pacific Coast. Following its settlement, demand has picked up sharply, with sales again topping the comparative figures of 1933.

Toronto

The rush of business, which developed throughout the first three months of this year, forced production, and output was considerably in excess of that for the similar period of 1933. One of the largest corporations catering to the Canadian trade has a large amount of Fall business already pledged, while orders in hand make a startling comparison with the amount recorded in 1933.

In the earlier part of the year, the bulk of the business was confined almost exclusively to miniature sets, or the cheaper console models, but recently there have been indications of a more liberal attitude of the buying public, and the demand appears to be changing to more elaborate equipment. Ruling prices have changed but little since the first of the year, but there is reason to expect an upward trend, as improved economic

conditions exert an enhancement of values in most manufactured products.

Conditions in Ontario have changed for the better, and money is circulating more freely than it did a year ago. Unemployment has been reduced, manufacturers are finding a readier market for their products, and an optimism is freely enunciated by those engaged in trade and commerce.

Wichita

Full-wave small sets are the best-selling items at this time, dealers reporting a better demand for the small portable sets and car radios than for some time. There has been a slight increase in prices, with prospects of a small upward trend. Collections, both in wholesale and retail, have shown an improvement, and the outlook is favorable.

Failures At All-Time Low

Based on the trend during the past six months, the smallest number of failures in the history of the industry is to be recorded for 1934. Thus far, firms have been going into bankruptcy at the rate of 3 a month, whereas in 1933, the monthly average was 11. With the exception of the failure of one large wholesaler in January for more than \$1,000,000, the involved liabilities of the defaulting firms have been small, the total for the 20 failures for the first six months amounting to only \$1,465,906.

The complete insolvency record of the radio industry since 1930, including the first six months of the current year, as compiled by Dun & Bradstreet, Inc., shows:

Manufacturers

Year	Number	Liabilities
1930.....	40	\$3,522,400
1931.....	15	4,088,445
1932.....	23	1,826,995
1933.....	25	3,719,519
1934*.....	4	24,330

Wholesalers and Retailers

Year	Number	Liabilities
1930.....	217	\$2,071,392
1931.....	160	4,979,359
1932.....	170	1,978,678
1933.....	109	1,813,980
1934*.....	16	1,441,577

(*) January to June, inclusive.

THE BUSINESS MONTH REPORTED

1st Federal Reserve District



POPULATION—7,834,000; PER CENT TOTAL U. S.—6.32

Entire textile industry slowed down toward close of month by preparations for strike. Cotton goods division most active during August, particularly print cloths and novelties; Government in market for millions of yards. More interest in wool; prices steady at level under last year's. Abrupt pick-up in silk orders. Some shoe manufacturers marking down prices a little, particularly on men's shoes. Retail sales above August, 1933, total, despite decrease in few lines.



2nd Federal Reserve District



POPULATION—16,343,000; PER CENT TOTAL U. S.—13.12

Unexpected upturn in retail sales carried August total 1 to 3 per cent higher than a year ago. Wholesalers had best month of year; volume up 3 to 6 per cent from 1933. Industrial operations reduced from July level, factory employment and pay rolls lowered. Shares traded on New York Stock Exchange dropped to 16,690,972, decline from July total, and smallest for any August since 1923; bond trading heaviest since April; new security offerings smallest since last November.



3rd Federal Reserve District



POPULATION—7,619,000; PER CENT TOTAL U. S.—6.14

Running contrary to the expected trend, retail sales held at a surprisingly high level all during August, with total for month 3 to 5 per cent above that of August, 1933; increase attributed to successful promotional events. Wholesale volume lifted by reinstatement of orders cancelled during July. Further reduction in industrial operations; number of factory workers and wage disbursements down from July. Federal projects and farm activities absorbing unemployed.



4th Federal Reserve District



POPULATION—11,407,000; PER CENT TOTAL U. S.—9.19

August poorest month for industry thus far this year, with further reduction in motor and tire output. Serious results from textile strike feared. Merger of two large steel companies outstanding development of month. Retail sales up sharply toward close, but total for month was under August, 1933. Home-modernization drive stimulating demand for building materials; banks accepting applications for loans in accordance with National Housing Act. Farm income higher.



5th Federal Reserve District



POPULATION—11,073,000; PER CENT TOTAL U. S.—8.92

Exceptionally favorable position of this district in regard to crops expected to stimulate Fall trade in all lines. Distributive totals 10 to 12 per cent above year ago; groceries, drugs, and hardware made best showing. Production of furniture and shoes declined during month; tobacco and lumber active. Textile mills increased output during August. Factory work up 10.2 per cent from 1933; weekly earnings higher by 28 per cent. Tobacco prices nearly double last year's.



6th Federal Reserve District



POPULATION—11,339,000; PER CENT TOTAL U. S.—9.14

Favorable weather, including plenty of rain has put all merchants in jubilant mood over Fall prospects. Farmers report steady demand for their products, with good prices prevailing. Employment aided by public projects. Retail volume 13 to 18 per cent above August, 1933; sales of men's clothing up 13 to 18 per cent; shoes 15 to 19 per cent. Wholesale orders larger 20 to 25 per cent than year ago. Less borrowing against current cotton crop. Building permits below July total.

BY FEDERAL RESERVE DISTRICTS

POPULATION—18,606,000; PER CENT TOTAL U. S.—15.00

After poor start, retail sales rose steadily during last half of month, with total larger than for July; gain over August, 1933, ranged from 7 to 10 per cent. Wholesale orders buoyed by heavy buying of cottons, silks, and staple dry goods, because of fear of strike in textile industry. Most industries reduced schedules from July average; meat packers increased operations. Sensational advance in hog prices; cattle worked higher. Building permits above a year ago.



POPULATION—9,676,000; PER CENT TOTAL U. S.—7.82

No expansion of consequence expected in trade during Fall months. Labor troubles and disputes regarding codes slowing operations in most industries; shoe factories on light schedules. Employment reduced; steady increase in number added to relief rolls. Wholesale orders from country districts larger than in July; numerous reinstatements of cancellations. Banking situation being cleared rapidly. More demand for homes; increase in residential building expected soon.



POPULATION—5,370,000; PER CENT TOTAL U. S.—4.35

Following conclusion of truckers' strike, wholesale and retail volume increased abruptly, with business for final week larger than for any comparative period since May, but retail sales for month lower than a year ago. Rise in wheat quotations brought flurry in flour buying; production running ahead of last year. Small industrial concerns making satisfactory progress; others reducing schedules. Initiation of important government-financed projects helping employment.



POPULATION—7,967,000; PER CENT TOTAL U. S.—6.42

Wholesale trade during August slightly above August, 1933; following three slow Summer months, business barely equalled volume for first eight months of a year ago. Retail sales 6 to 10 per cent above last year's in districts where crops and livestock came through drought in good shape. Five-year moratorium on farm mortgages and debts begins to work. Bank deposits nearly 40 per cent larger than a year ago. Demand for loans light. Bank clearings above 1933 total.



POPULATION—7,078,000; PER CENT TOTAL U. S.—5.72

While as good or better than a year ago, business in most lines fell off in August, because of prolonged drought. Despite let-down, year to date has brought larger volume of business to practically all lines; better price level has increased profits. Retail sales continue to run about 30 per cent ahead of last year. Automobile sales 50 per cent ahead. Cotton crop recovery prospects poor. Building operations improve under stimulus of Federal Housing Act provisions.



POPULATION—9,758,000; PER CENT TOTAL U. S.—7.86

Better prices for agricultural products and crop proceeds in circulation boosted both retail and wholesale volume above July level. Estimates for Fall trade upward. Dried and canned fruit and vegetable markets in excellent shape; many items scarce. Canned apricots smallest since 1923; canned cherries since 1911. August deep-sea shipping largest in history, strike delays movement of cargo. Banks receiving applications for loans under National Housing Act.

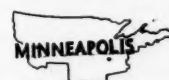
7th Federal Reserve District



8th Federal Reserve District



9th Federal Reserve District



10th Federal Reserve District



11th Federal Reserve District



12th Federal Reserve District



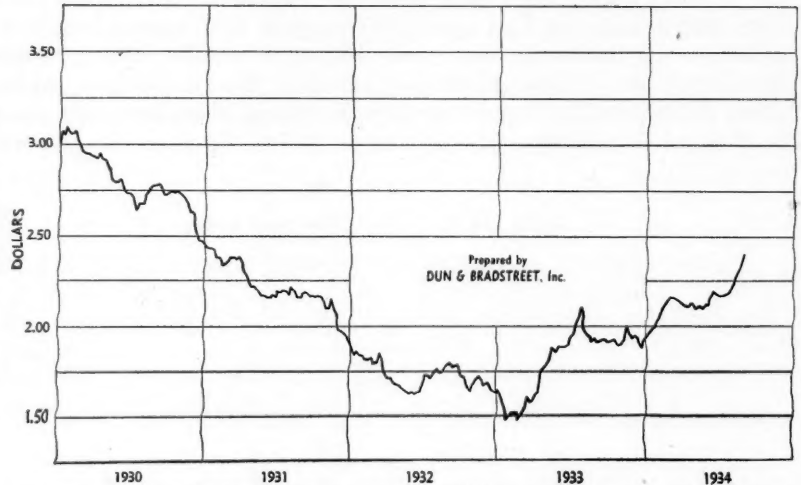
GRAPHIC REVIEWS

FOOD INDEX UP SHARPLY

FEAR of a shortage in food supplies, as a result of the prolonged drought during the past Summer, is forcibly reflected in the recent sharp upward movement in the Dun & Bradstreet Weekly Food Index. Since August 1, when the drought situation became acute, the index has advanced 22 cents, or 10 per cent, standing at \$2.40 on September 4. Comparisons since January 1 follow:

	1934	1933	1932	1931	1930
Sept. 4.....	\$2.40	\$1.91	\$1.79	\$2.14	\$2.78
Aug. 28.....	2.39	1.91	1.77	2.14	2.78
Aug. 21.....	2.34	1.93	1.75	2.19	2.77
Aug. 14.....	2.28	1.91	1.75	2.21	2.74
Aug. 7.....	2.23	1.95	1.76	2.16	2.71
July 31.....	2.18	1.97	1.74	2.19	2.67
July 24.....	2.18	1.99	1.72	2.19	2.67
July 17.....	2.17	2.08	1.73	2.18	2.67
July 10.....	2.16	2.03	1.73	2.19	2.62
July 3.....	2.16	1.96	1.67	2.15	2.70
June 26.....	2.17	1.94	1.63	2.16	2.73
June 19.....	2.19	1.89	1.62	2.14	2.74
June 12.....	2.17	1.87	1.61	2.14	2.76
June 5.....	2.14	1.87	1.63	2.15	2.80
May 29.....	2.11	1.87	1.61	2.15	2.79
May 22.....	2.11	1.84	1.63	2.19	2.79
May 15.....	2.09	1.86	1.63	2.21	2.80
May 8.....	2.10	1.80	1.67	2.21	2.85
May 1.....	2.09	1.77	1.68	2.24	2.87
Apr. 24.....	2.11	1.75	1.69	2.28	2.90
Apr. 17.....	2.11	1.63	1.72	2.30	2.91
Apr. 10.....	2.10	1.62	1.72	2.34	2.94
Apr. 3.....	2.10	1.58	1.74	2.37	2.91
Mar. 27.....	2.11	1.57	1.76	2.36	2.92
Mar. 20.....	2.13	1.60	1.79	2.37	2.93
Mar. 13.....	2.14	1.54	1.83	2.37	2.94
Mar. 6.....	2.15	1.53	1.79	2.35	2.94
Feb. 27.....	2.15	1.49	1.79	2.33	2.95
Feb. 20.....	2.14	1.51	1.81	2.33	3.01
Feb. 13.....	2.11	1.51	1.80	2.36	3.07
Feb. 6.....	2.08	1.51	1.80	2.36	3.06
Jan. 30.....	2.03	1.49	1.82	2.41	3.06
Jan. 23.....	2.00	1.51	1.82	2.42	3.09
Jan. 16.....	1.99	1.56	1.84	2.42	3.05
Jan. 9.....	1.96	1.65	1.82	2.44	3.07
Jan. 2.....	1.93	1.63	1.87	2.42	2.99

DUN & BRADSTREET WEEKLY FOOD INDEX



The sharp increase in food prices during the past five weeks has carried the index to the highest level since January 29, 1931.

The advance has been especially marked in grains and livestock and their products, while most of the other items also shared in the rise. The latest index, \$2.40, is at the highest point since January 29, 1931, and compares with \$1.91 a year ago, a gain of 25.6 per cent. Comparison with the corresponding figure of two years ago reveals a rise of 34.2 per cent.

The index embraces 31 items of food and is simply the sum total of the price per pound, at wholesale, of these 31 foodstuffs.

ELECTRICITY PRODUCTION

ELECTRIC power output for public use during July amounted to 7,567,000,000 kilowatt-hours, equal to a daily average rate of 244,100,000 kilowatt-hours, according to the United States Geological Survey. This was a decrease of 2 per cent from the daily average for June, which is about the normal change.

Monthly Electricity Production *

	1934	1933	1932	1931
January ...	7,631	6,932	7,567	7,956
February ...	7,049	6,285	7,023	7,170
March ...	7,717	6,674	7,323	7,888
April ...	7,443	6,462	6,790	7,655
May ...	7,683	6,996	6,650	7,645
June ...	7,470	7,231	6,563	7,529
July ...	7,567	7,479	6,547	7,772
August ...	7,086	6,764	7,630	7,630
September ...	7,347	6,752	7,640	7,640
October ...	7,478	7,073	7,765	7,765
November ...	7,243	6,952	7,406	7,406
December ...	7,470	7,149	7,773	7,773
Total ...	85,283	83,153	91,729	91,729

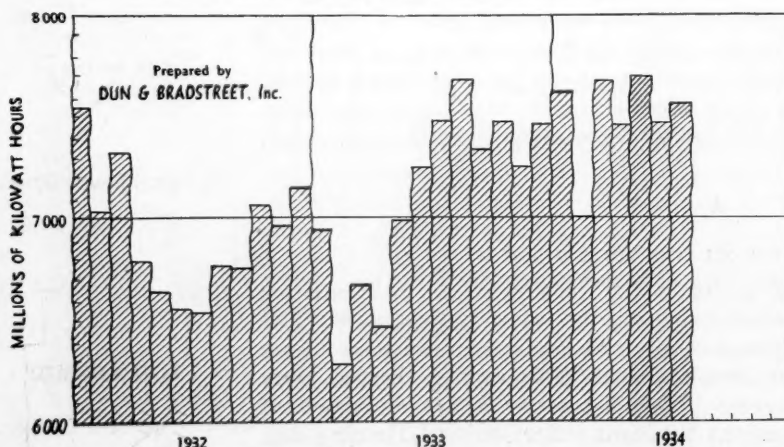
* Source: U. S. Geological Survey.

Weekly Electricity Output *

	1934	1933	1932
Sept. 1 ...	1,626,881	1,637,317	1,464,700
Aug. 25 ...	1,648,107	1,630,394	1,436,440
Aug. 18 ...	1,674,345	1,650,205	1,431,910
Aug. 11 ...	1,659,043	1,627,339	1,415,122
Aug. 4 ...	1,657,638	1,650,013	1,426,986
July 28 ...	1,683,542	1,661,504	1,440,386
July 21 ...	1,663,771	1,654,424	1,433,993
July 14 ...	1,647,680	1,648,339	1,415,704
July 7 ...	1,555,844	1,538,500	1,341,730
June 30 ...	1,688,211	1,655,843	1,456,961
June 23 ...	1,674,566	1,598,136	1,440,541
June 16 ...	1,665,358	1,578,101	1,441,532
June 9 ...	1,654,916	1,541,713	1,435,471
June 2 ...	1,575,828	1,461,488	1,381,452
May 26 ...	1,654,903	1,493,925	1,425,151
May 19 ...	1,649,770	1,483,080	1,435,731
May 12 ...	1,648,433	1,468,035	1,436,928

* Source: Edison Electric Institute.

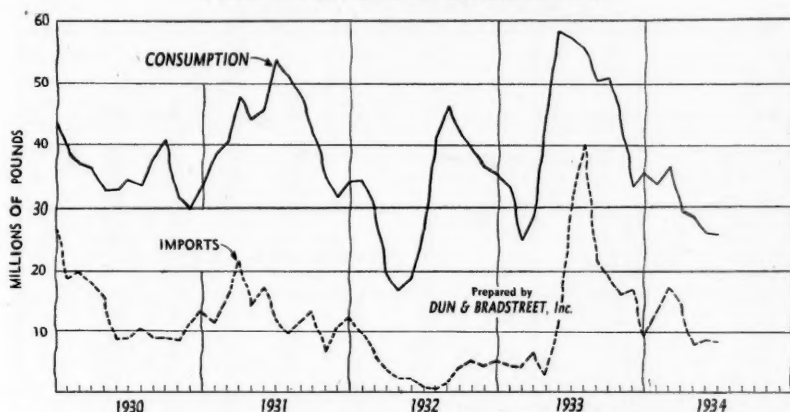
ELECTRIC POWER PRODUCTION



Production of electricity in July showed an increase of only 1 per cent over July, 1933. This was the smallest increase, as compared with the previous year, since April, 1933.

OF MAJOR TRENDS

WOOL IMPORTS AND CONSUMPTION



Further decline in wool consumption during July brought the total for that month to the lowest level since March, 1933. Imports also were greatly below a year ago.

WOOL CONSUMPTION

THE wool market witnessed one of the dullest periods of the year during the month of July, with prices uncertain and slightly lower. This was reflected in a decline in wool consumption for the month to the lowest level since March, 1933. On a grease equivalent basis, wool consumption, as reported by mills to the Department of Commerce, amounted to 25,936,000 pounds during July. This was slightly below the June figure, and compared with 57,377,000 pounds consumed in July last year, a drop of 54.8 per cent.

Wool Consumption *

(Pounds, Grease Equivalent)

	1934	1933	1932
Jan. ...	35,968,000	35,510,000	34,253,000
Feb. ...	34,348,000	33,278,000	34,426,000
Mar. ...	36,119,000	24,934,000	29,384,000
Apr. ...	29,889,000	28,701,000	19,954,000
May ...	28,213,000	46,898,000	16,519,000
June ...	26,213,000	58,688,000	18,933,000
July ...	25,936,000	57,377,000	26,719,000
Aug. ...	...	55,694,000	41,361,000
Sept. ...	...	50,467,000	46,055,000
Oct. ...	...	51,037,000	42,423,000
Nov. ...	...	43,466,000	38,963,000
Dec. ...	...	33,530,000	36,532,000
Total.	519,580,000	385,522,000	

* Source: Department of Commerce.

Imports of wool in July were only slightly below those for June, but considerably lower than in July, 1933. Total imports of unmanufactured wool in July

amounted to 7,589,000 pounds, compared with 31,406,000 in July last year.

Wool Imports *

(Pounds)

	1934	1933	1932
Jan. ...	9,637,000	5,134,000	12,556,000
Feb. ...	12,622,000	4,864,000	9,890,000
Mar. ...	16,975,000	4,451,000	6,422,000
Apr. ...	13,587,000	6,140,000	4,186,000
May ...	7,458,000	3,179,000	2,832,000
June ...	8,003,000	10,898,000	2,697,000
July ...	7,589,000	31,406,000	848,000
Aug. ...	...	40,060,000	693,000
Sept. ...	...	21,308,000	1,554,000
Oct. ...	...	19,633,000	4,468,000
Nov. ...	...	15,997,000	5,408,000
Dec. ...	...	16,168,000	4,977,000
Total.	179,238,000	56,531,000	

* Source: Department of Commerce.

BITUMINOUS COAL OUTPUT

BITUMINOUS coal production during August again was below the corresponding month of last year, although slightly in excess of July output. Production last month amounted to 27,490,000 tons, against 25,280,000 tons in July, and compared with 33,910,000 tons in August last year, or a drop of 18.9 per cent. For the eight months' period, production amounted to 235,449,000 tons, against 208,602,000 last year.

Monthly Bituminous Production *

	1934	1933	1932
Jan. ...	32,916,000	27,060,000	28,261,000
Feb. ...	31,970,000	27,134,000	28,383,000
Mar. ...	38,497,000	23,685,000	32,676,000
Apr. ...	24,772,000	19,523,000	20,568,000
May ...	28,106,000	22,488,000	18,627,000
June ...	26,424,000	25,320,000	17,984,000
July ...	25,280,000	29,482,000	18,093,000
Aug. ...	27,490,000	33,910,000	22,786,000
Sept. ...	...	29,500,000	26,662,000
Oct. ...	...	29,656,000	33,110,000
Nov. ...	...	30,582,000	31,038,000
Dec. ...	...	29,600,000	31,522,000
Total.	327,940,000	309,710,000	

* Source: U. S. Bureau of Mines.

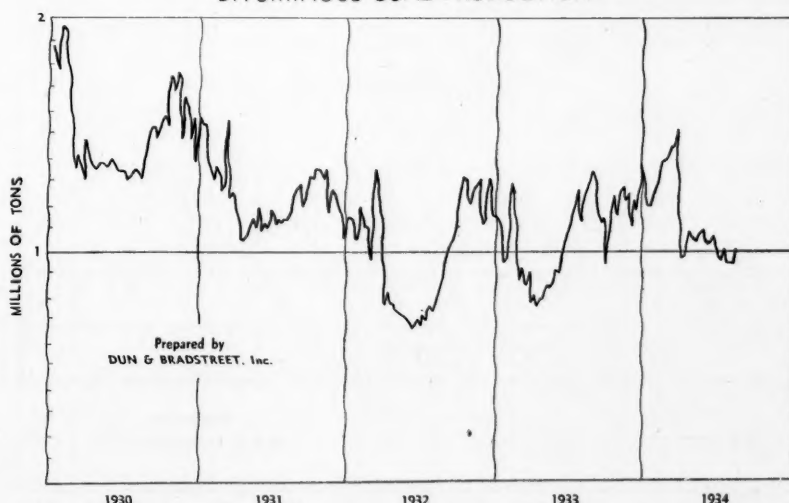
Weekly Bituminous Production *

(Daily average output, tons)

	1934	1933	1932
Aug. 25 ...	1,033,000	1,292,000	887,000
Aug. 18 ...	962,000	1,266,000	825,000
Aug. 11 ...	963,000	1,229,000	783,000
Aug. 4 ...	969,000	1,128,000	744,000
July 28 ...	1,003,000	1,258,000	768,000
July 21 ...	974,000	1,203,000	733,000
July 14 ...	989,000	1,161,000	695,000
July 7 ...	1,024,000	1,106,000	718,000
June 30 ...	1,046,000	1,075,000	678,000
June 23 ...	1,027,000	1,000,000	693,000

* Source: U. S. Bureau of Mines.

BITUMINOUS COAL PRODUCTION



The chart shows the weekly movement of daily average output. The daily average in August dropped below the corresponding figure of last year for the second month in succession.

GRAPHIC REVIEWS

BUILDING SLIGHTLY BETTER

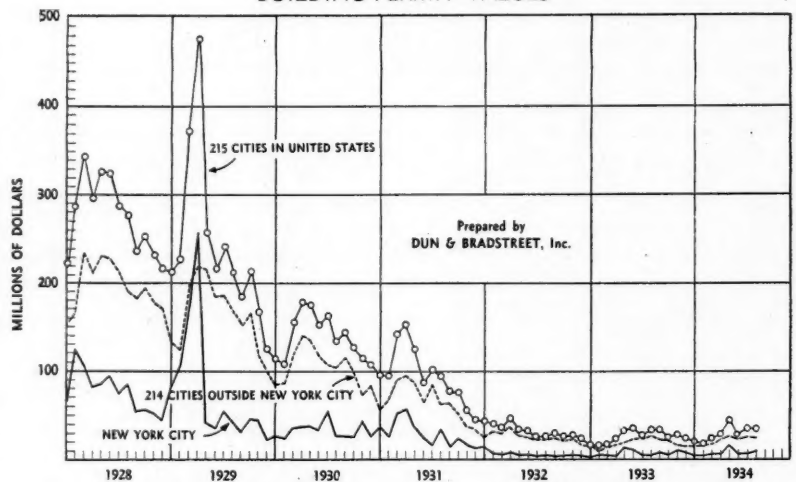
BUILDING operations during August showed a further slight improvement, the increase over July being 1.6 per cent, against a normal seasonal rise of about 1 per cent. Total volume of building permits at 215 cities amounted to \$34,452,738, slightly higher than the July total of \$33,899,650, and comparing with \$32,391,868 in August last year, a gain of 6.4 per cent.

Group totals of building expenditures for the 215 cities for August of this year and last, are shown in the following table:

	August, 1934	August, 1933	Change P. Ct.
New England ...	\$3,099,565	\$2,997,745	+ 3.4
Middle Atlantic...	13,553,650	8,311,526	+ 63.1
South Atlantic...	3,790,717	2,168,877	+ 74.8
East Central...	5,498,902	3,830,298	+ 43.6
South Central...	2,131,022	4,755,942	- 55.2
West Central...	1,940,098	5,251,379	- 63.1
Mountain	411,086	497,853	- 17.4
Pacific	4,027,698	4,578,248	- 12.0
Total U. S. ...	\$34,452,738	\$32,391,868	+ 6.4
New York City...	\$9,917,284	\$5,249,530	+ 88.9
Outside N. Y. C.	\$24,535,454	\$27,142,338	- 9.6

In New York City, which furnished the bulk of the increase in construction last month, permits were issued in the amount of \$9,917,284, compared with \$7,908,885 in July, a gain of 38.0 per cent. In August last year permits totalled \$5,249,530.

BUILDING PERMIT VALUES



A slight seasonal rise was recorded in building expenditures for August. With the exception of May, this year, the total was the highest since May, 1932.

Expenditures for building during the first eight months of this year aggregated \$235,736,911, an increase of 16.5 per cent compared with last year.

Building Permit Values (Monthly)

	1934	1933	1932
Jan.	\$20,825,055	\$17,744,805	\$42,429,665
Feb.	19,326,964	17,161,943	40,858,938
Mar.	25,505,005	17,798,441	37,676,746
April	29,280,666	22,091,417	47,741,687
May	43,825,268	31,525,523	34,566,714
June	28,621,565	34,098,384	32,173,221
July	33,899,650	29,484,891	27,150,469
Aug.	34,452,738	32,391,868	27,565,795
Sept. ....	.....	32,243,704	30,437,268
Oct. ....	.....	26,198,342	26,107,428
Nov. ....	.....	28,021,688	29,301,309
Dec. ....	.....	24,915,270	23,279,690
Total ...	.....	\$318,676,276	\$399,288,930

LUMBER PRODUCTION INCREASED

WITH the ending of the long-shoremen's strike on the Pacific Coast, production and shipments of lumber spurted sharply upward in August from the low levels reached in June and July, when the strike was in full force. Production, on a weekly average basis, during August amounted to 171,949,000 board feet, the largest so far this year, while shipments at 176,060,000 feet were likewise the heaviest recorded this year.

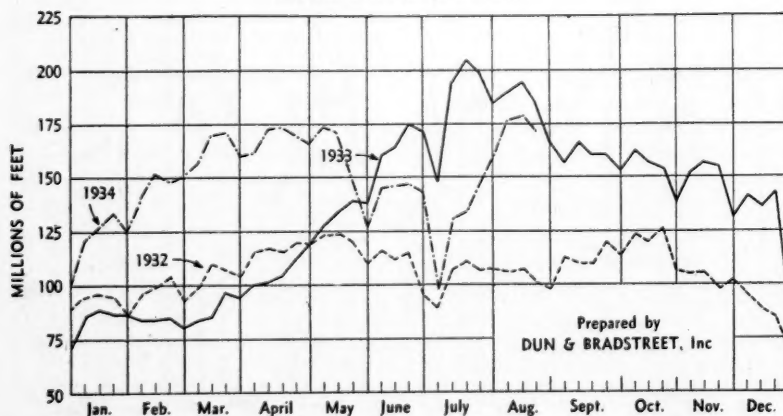
Lumber Statistics *

(Thousands of board feet)

	Aug., 1934	July, 1934	June, 1934	Aug., 1933
Production (Weekly Average)				
Softwoods	159,903	114,918	125,463	173,910
Hardwoods	12,046	12,925	15,484	20,508
Total	171,949	127,843	140,947	194,418
Shipments (Weekly Average)				
Softwoods	162,587	100,665	113,244	166,715
Hardwoods	11,473	10,352	12,710	20,889
Total	174,060	111,017	125,954	187,604
New Orders (Weekly Average)				
Softwoods	155,016	111,146	113,126	131,463
Hardwoods	9,980	10,590	10,791	16,763
Total	164,996	121,736	123,917	148,226
Unfilled Orders (End of Month)				
Softwoods	484,183	547,229	523,138	458,074
Hardwoods	98,542	94,575	84,046	91,891
Total	582,725	641,804	607,184	549,965

* Compiled from weekly reports published by National Lumber Manufacturers' Association.

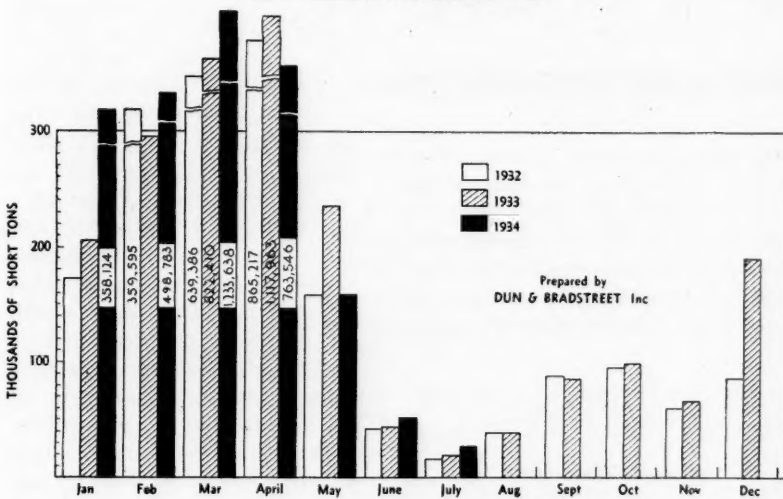
LUMBER PRODUCTION



Lumber production in July dropped to the lowest level since last January, as a result of the longshoremen's strike, but increased sharply to the highest levels of the year during August.

OF MAJOR TRENDS

FERTILIZER CONSUMPTION



Fertilizer tax tag sales during the Summer months are ordinarily very small. However, sales for July were greatly in excess of the same month of the two preceding years.

FERTILIZER TAG SALES

SALES of fertilizer tax tags for the month of July in eleven Southern States, according to the National Fertilizer Association, were 42 per cent larger than the sales for July, 1933, and were also much larger than the sales for July, 1932. Sales for the month of July ordinarily are but a very small part of the year's total, and the tonnage represented by the sales was not very large for either July, 1934, or for the months of July, 1933 and 1932. Only two States, South Carolina and Florida, reported sales of more than 2,000 tons in July.

For the fiscal year ended July 31, 1934, sales of fertilizer tax tags amounted to 3,563,464 short tons, a gain of 18 per cent over the same period of 1933, and 38 per cent larger than in 1932. However, the total was slightly smaller than that for the fiscal year ended July 31, 1932. All States, except South Carolina, reported larger sales than in the previous season. The largest percentage gains were shown in Mississippi, Arkansas, Texas, Oklahoma, Louisiana, Alabama, Georgia, Florida and Tennessee.

Fertilizer tax tag sales, as compiled by the National Fertilizer Association from tag sales' reports of Commissioners of Agriculture in eleven Southern States, in short tons, follow:

	1934	1933	1932
January ...	358,124	204,758	171,473
February ..	498,783	294,750	359,595
March	1,233,638	822,411	639,386
April	763,546	1,036,874	865,217
May	157,037	233,960	155,643
June	50,519	43,084	41,819
July	25,904	18,221	14,245
August	38,015	37,653	37,653
September ..	86,377	88,600	88,600
October ...	99,871	96,080	96,080
November ..	64,503	59,559	59,559
December ..	190,000	85,185	85,185

Total 3,132,824 2,614,455

FREIGHT CARLOADINGS

CARLOADINGS of revenue freight for the week ended September 1 showed a greater than seasonal increase, resulting in a gain of 2.6 points in the Dun & Bradstreet loadings index, which stood at 59.9 for the latest period, against 57.3 a week earlier and 61.9 at this time last year.

Freight carloadings for the week ended September 1 totalled 645,780 cars, an increase of 40,264 over the preceding week, 27,998 cars under the corresponding week in 1933, but 84,455 cars more than the total for the same week of 1932. All classifications of freight, with the exception of ore, registered an increase over the immediately preceding period.

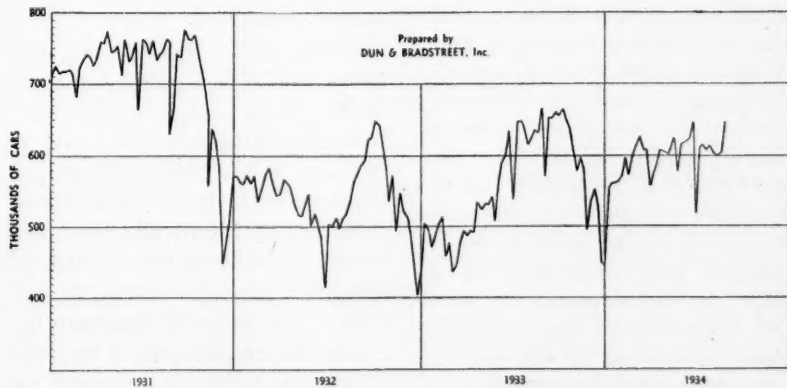
Total loadings for the thirty-five weeks of the year to date amounted to 20,812,316 cars, compared with 19,047,609 cars in the like 1933 period, an increase of 9.3 per cent.

Carloadings by Weeks *

	1934	1933	1932
Sept. 1	645,780	673,778	561,325
Aug. 25	605,516	637,510	537,767
Aug. 18	600,564	643,406	518,440
Aug. 11	602,530	629,743	511,965
Aug. 4	611,298	620,482	496,626
July 28	608,848	644,839	510,687
July 21	614,864	656,380	501,912
July 14	602,778	653,661	503,761
July 7	519,807	545,510	415,928
June 30	644,572	641,730	488,281
June 23	621,872	609,627	498,993
June 16	617,649	592,759	518,398
June 9	615,665	569,157	501,685

* Source: American Railway Association.

FREIGHT CARLOADINGS



Carloadings in the week ended September 1 showed a greater than seasonal increase and, although below the comparable period of last year, the decline was relatively smaller than in recent weeks.

FALL OUTLOOK FOR HARDWARE TRADE BEST IN FIVE YEARS

FROM the standpoint of both dollars and units, wholesale distribution of hardware during the first six months of 1934 showed consistent gains, averaging 40 to 50 per cent by comparison with the same period last year. Notwithstanding drought conditions, which caused a slight recession in July, the volume of business handled in rural districts was larger than in the cities. Labor disturbances have retarded movement of merchandise to industrial centers, as many commitments have been deferred. The gains of the first quarter which ran as high as 60 per cent are not expected to be duplicated in the third quarter, as July and August in 1933 were unusually active months, due to so many retailers pressing to replenish depleted stocks on a rising market. The few complaints received regarding the trend of demand have emanated from the disappointment over the failure of builders' hardware to reach the volume anticipated earlier in the year.

Since the first of July, business has shown a tendency to lag in many divisions, but this is considered a purely seasonal development. All indications are that the second six months of the year will show an increase equally as good as that set down for the first six. The trade is benefiting by Governmental loans to home owners for repairs, offsetting partially the loss of C.W.A. revenue, while the increase in general construction activity is beginning to make its influence felt more strongly. Hopes of stimulating a revival of the long-delayed building campaign, sponsored by the Government, now are in the ascendency, and preparations are in progress

All indications point to sales during the second half of the year reaching as high a total as during the first half, when a gain of 40 to 50 per cent was recorded over the comparative 1933 figures. Production up 25 to 40 per cent. Price level steady; collections improved. Failures reduced to new low.

for the best Fall business that has been experienced in five years.

Larger Profits Shown

Production for the year to date has averaged 25 to 40 per cent higher in value and in units 20 to 30 per cent larger than in the corresponding period of 1933. Output of farm hardware has shown an average increase of 50 per cent over last year's. Thus far, manufacturers have received practically no cancellations on the orders placed for Fall delivery, and in a number of instances original commitments have been enlarged. Factory shipments are fairly prompt, as most manufacturers have caught up reasonably well with their orders. The development of composition handles, the greater use of aluminum, chromium, other metals, and certain alloys have been the chief changes in the designs of hardware during the past year.

While many retailers feel that under the N.R.A. they have advanced their costs, through curtailing working hours and taking on more employees, without receiving adequate price protection, profits in 1933 generally were the largest since 1930, and with some firms the first since 1929. Of the 2,060 retailers of hardware included in the Analysis of the 1933 Operating Averages, prepared by the Statistical Department of

Dun & Bradstreet, Inc., a 1933 net profit was reported by 1,251 concerns, or by 60.75 per cent of the total number. These concerns had total 1933 net sales of \$34,713,300, or 62.87 per cent of the total of \$55,286,000. A net profit of 20.35 per cent, which was the highest recorded,

appeared in the net sales group of \$2,500 to \$5,000, while the smallest net profit—3.35 per cent—was set down for the stores having net sales for the year ranging from \$500,000 to \$1,000,000.

Of an approximate 36,500 hardware stores in the United States, only 1,000 have an annual business in excess of \$100,000. There are 12,000 stores that pass the \$30,000 mark each year, while 18,000 do a business ranging from \$20,000 to \$30,000. The balance of the stores have an annual volume under \$20,000.

Sales Trend Upward

In view of the extremely depressed conditions in the building trade, hardware sales are holding up remarkably well. While the gains of 40 and 50 per cent, which were frequent during the opening months of the year, have been curtailed substantially since May, the average increase for the seven months approximately is 25 to 35 per cent, when compared with the 1933 figures. In some districts of the South and Southwest, sales during the first six months were double those of 1933, with indications promising for the maintenance of the present favorable position during the balance of the year.

As the result of their inability to ship merchandise, because of the longshoremen's strike, wholesalers of hardware on the Pacific

Coast were handicapped during May and June, and their sales for these two months barely were equal to those of 1933. Firms dealing in heavy and industrial hardware in this district were among the first to feel the increase in business this year, as their dealings are largely with the lumber industry. Latterly, however, the greater portion of the merchandise has been going to retailers.

The largest bicycle sales for any season in ten years is being reported by many retailers, as this item has proven the chief attraction in many sections. Roller skates continue to hold their claim on popularity, while the demand for camping equipment, fishing tackle, guns and ammunitions has been the strongest in four years. Due to the lack of rainfall in so many parts of the country, lawnmowers, scythes, and garden tools are selling less actively than last year. On the other hand, the insistent call for garden hose, sprinkling outfits, water coolers, electric fans, and ice-cream freezers has brought stocks of these nearly to depletion. The sales of canning supplies this Summer were double those of last season.

Price Level Steady

In April, 1933, prices of hardware started to rise and the advances were almost continuous right up to the close of the year. Since the beginning of 1934, however, price changes, in the main, have taken the form of revisions rather than advances or declines. Many changes are being made on account of the various codes now in effect, and as details of these will have been worked out to better advantage, prices are expected to become pegged definitely.

The current trend is sidewise at a level from 10 to 20 per cent higher than in the comparative period of 1933, with irregular adjustments upward, which may develop into mark-ups in the Fall. Collections both in the wholesale and retail divisions are distinctly better than last year, and in most instances are classed as satisfac-

tory. In the drought-stricken districts, however, the liquidation of past indebtedness has come almost to a standstill and general collections are dragging more each week.

Baltimore

Wholesale and retail distribution of hardware in general is about 25 per cent higher in dollar value than at this time last year, while unit value is up 20 per cent. There is no particular feature to the market at this time, though sales of ammunition are showing the way and are expected to increase as the Fall season advances.

Birmingham

Conditions of the hardware trade continued to improve through the first six months of 1934, jobbers reporting sales nearly double those for the same period of 1933. Prices have ranged constantly upward, though the market is fairly steady at this time.

Boston

Sales to retailers and industry are running better than 10 per cent above last year's. Improved conditions were first noted in the lines used in industry, but in recent months there also has been a pick-up in the retail hardware business, and wholesalers report sales to that source have increased in an encouraging manner.

Cincinnati

High temperatures all Summer stimulated the sale of garden hose and electric fans, partially offsetting losses in volume because of carry-over Winter merchandise. In fact, an increased demand for supplies prevails in all departments, excepting the division handling building hardware, which still is backward.

Cleveland

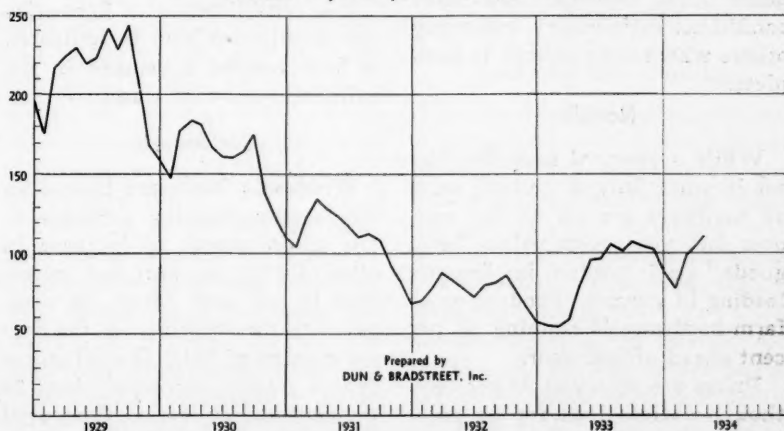
Wholesale hardware sales for the first six months were between 45 and 50 per cent greater than in the corresponding period last year. There was an increase of 60 per cent in the first quarter, but each ensuing month has shown a smaller percentage of gain, due to the fact that recovery measures had begun to make themselves felt by the second quarter of 1933.

Retail business also has been much better, with improved demand for household utensils, paints, and small tools.

Dallas

In view of the extremely depressed condition in the building trades, local hardware sales are holding up remarkably well. Increases over this period in 1933 average about 25 per cent. Prices are about 10 per cent higher. The best selling items are household hardware and items for farm and

WHOLESALE VALUE OF HEAVY HARDWARE SALES *
(Prices in January, 1921, equal 100)



(*) Index compiled by American Steel Warehouse Association

Each month this year, the index has exceeded the comparative figures of both 1933 and 1932. In May it rose to 114, the highest point touched since July, 1931, when the index stood at 117. The ground that has been gained since the all-time low was registered at 54 in March, 1933, amounts to 111.1 per cent.

repair work. Heavy hardware is moving slowly.

Kansas City

Retail trade has been fairly active, volume being confined largely to electric refrigerators, screen wire, rakes, and the smaller garden and lawn tools during most of the Summer. Wholesale trade has been somewhat curtailed, owing to slowness of business from the country districts, where the drought was severe.

Milwaukee

Production of hardware is up 20 per cent in units, with an average price increase of 15 per cent. Sales of wire nails and fencing are holding up, and garden hose and tools have been active. Fishing tackle and sporting goods also are in demand.

An active call for ammunition and guns is expected in the Fall and merchants are looking forward to a big holiday trade in toys and novelties.

Minneapolis

Wholesale dealers in hardware have sold 35 to 40 per cent more merchandise in terms of dollars than a year ago at this time. Sales have been slowing down lately, owing to drought conditions, and current sales are about on a par with those of 1933. Conditions are unusually spotted, there being localities where reasonably adequate local showers have made conditions satisfactory and many others where crop failure is complete.

Norfolk

While a seasonal recession has set in since July 4, general sales of hardware are up 35 per cent over last year, with paints, lawn goods, and garden implements leading in volume. Production of farm hardware is running 50 per cent ahead of last year.

Prices are up about 20 per cent, though dealers look for no great increase in the near future. The outlook is good. With a fair amount of P.W.A. work scheduled

for this section, and with improved farming conditions in Norfolk's lower trading area, Fall sales should easily exceed those of 1933.

Omaha

Volume both in wholesale and retail has shown the usual seasonal slump since July, but is ahead of last year's by approximately 10 per cent. Builders' hardware still is very quiet, the largest activity being in the general run of staple articles. Garden hose has been quite active, but lawn mowers and such items have been satisfactory.

Richmond

The indications are that the third quarter will finish with unit sales comparable with those of 1933. The renewal of Government activities has created an outlet for surplus stocks of building hardware, but such sales are at a close margin of profit. Plumbing and air-conditioning hardware are the principal items in demand at present.

St. Louis

Hardware sales are reported to have increased from 5 to 8 per cent, as compared with the corresponding time last year. This increased volume may have been stimulated, to an extent, by public work projects which are understood to have resulted in substantial orders for axes, shovels and similar equipment.

The rehabilitation of breweries and distilleries also is indicated to have created a demand in the builders' hardware trade.

San Antonio

Wholesale hardware houses in this section, serving a radius of 150 miles, report an increase in sales of 33⅓ per cent and collection 15 per cent better, as compared to the showing for the first six months of 1933. Retail stores report volume increased about 20 per cent and collections improved by at least 15 per cent over the showing for the comparative period of 1933.

Seattle

Hardware firms in this territory experienced a rapid increase in sales during the early part of the current year. This increase amounted, in some cases, to as much as 40 per cent over the same period in 1933 for wholesalers and 20 per cent for retailers. This rate of gain continued until about the middle of May, at which time the strike situation became serious.

Failures at New Low

The monthly average of failures thus far this year has decreased to 25, establishing a new low record, as it is under the previous one of 33 set down for 1927. Since 1931, when the number of failures rose to 753, with involved liabilities of \$11,494,617, which was the highest in the history of the trade, the trend has been downward. The decline, however, did not become marked until 1933, when the total number of bankruptcies for wholesalers and retailers dropped to 537 from 726 in 1932, a decline of 35.2 per cent, and the smallest number listed since 1929.

The amount of money which the trade has been forced to lose because of bankruptcies also has been growing smaller during the last three years. In 1932 the involved liabilities of the defaulted firms reached \$11,316,648, only slightly under the all-time peak of 1931, whereas in 1933 this total fell to \$8,734,340, a decrease of \$2,582,340, or 29.6 per cent. For the 150 failures during the first six months of the current year, the defaulted indebtedness amounted to only \$2,522,866.

The complete insolvency record of the hardware trade since 1927, including the first half of 1934, as compiled by Dun & Bradstreet, Inc., shows:

Wholesalers and Retailers

Year	Number	Liabilities
1927.....	397	\$6,301,217
1928.....	433	6,415,680
1929.....	405	7,475,074
1930.....	643	9,531,080
1931.....	753	11,494,617
1932.....	726	11,316,648
1933.....	537	8,734,308
1934*.....	150	2,522,866

(*) January to June, inclusive.

ACTIVITY IN PAINT TRADE NEARING THE 1931 LEVEL

THE sharp recovery which was recorded for the paint trade in 1933 was carried over into the first half of the current year, enabling the leading manufacturers to show a substantial increase in their earnings. While the rate of the trade's activity has been lowered slightly since the opening of the third quarter, in keeping with the curtailment of schedules by the large producers of automobiles, refrigerators, furniture, and other important industrial outlets, current volume still is higher than in 1933, nearly double that of 1932, and approximates closely the level of 1931. Both distributors and retailers had the best Spring trade in three years.

Increased employment and legislation furthering loans to home owners for repairs have been beneficial to the entire industry, but the sustained industrial production has thus far been the strongest single factor to the trade's progress. Manufacturers and retailers report the outlook as exceedingly favorable; and, with the stabilized prices now prevailing, a strong upward movement in demand is expected to start early in September, provided the home modernization plans sponsored by the Government will be able to assume the proportions now indicated. Stocks, in many instances, are not complete, although inventories generally are larger than at this time a year ago.

Current Output Lower

Volume of production during the first seven months of 1934 ranged from 30 to 50 per cent larger than during the comparative period of 1933, depending on

During the first seven months, sales topped 1933 total by 25 to 35 per cent; production up 30 to 50 per cent, with widest gain in industrial division. Fall outlook helped by home-modernization drive. Demand for wallpaper enlarging steadily. Prices fairly stable. Total of failures reduced.

the type of paint manufactured. It was the industrial grades for which the largest percentage of gain was reported during the first quarter, but since May outside paints have received the stronger call. During July there was considerable slackening in industrial orders, which was attributed to labor disturbances, general curtailment of operations, and the cessation of speculative buying. Retail stocks are not out of proportion, but the rather unstable market at present is influencing buyers to place orders carefully.

Sales of paint, varnish and lacquer products by manufacturers in May amounted to \$33,678,877, according to the Bureau of Census of the Department of Commerce. This total was the largest that has been recorded since June, 1930, and compared with sales valued at \$27,768,932 in April, with \$26,241,044 in May, 1933, and with \$24,981,441 in May, 1932. Trade sales increased to \$14,079,824 from \$10,845,963 in April, and \$11,788,573 in May, 1933.

The bulk of the current business being received by manufacturers is for immediate shipment. The rather timid consumer demand since June, however, has kept retail prices from advancing to a degree sufficient to be in better alignment with manufacturing costs, so that manufacturers now are finding it increasingly difficult to realize a profit.

Unless manufacturers can raise their prices at least moderately, it is doubted if the good earnings statements for the first half of the year will be duplicated during the third and fourth quarters.

Reports covering the first seven months of the current year reveal in-

creases of 25 to 35 per cent in the dollar value of sales, as compared with those for the corresponding period of 1933. Probably the largest gains have been set down for sales to industries, but large quantities of paints for outside building coverings have been sold, with the touch-up enamels and interior finishes occupying third place. Paints for reconditioning of breweries have been an important item in many districts, and marine paints have been in the strongest demand in several Summers. During July, sales of outside paint in some sections of the South and Southwest increased as much as 20 to 25 per cent from the July, 1933, total, due to the heavy requirements incident to the new work undertaken in connection with the H.O.L.C. and C.W.A. projects.

Substantial Sales Increase

In the chief agricultural States, sales were strongly in the upward direction until May, when the dust storms ushered in the worst drought period in history, and sales in many places were brought to a standstill. Even where funds were available to purchase the needed materials, the intensity of the heat and the high winds carrying dust made it impossible to carry on the work planned. Many orders placed by retailers in the drought areas for Fall delivery have been cancelled, as no im-

provement in demand appears likely until next Spring. On the Pacific Coast, sales rose to the year's peak in May, but the strike of the longshoremen, which resulted in the closing of many factories, reduced purchases to a minimum during the months of June and July.

For the past four months, prices have been stabilized and no changes of consequence are anticipated in the near future. Although collections in the paint trade have not shown the improvement that has been reported by many other industries during the last six months, the status generally is 15 to 20 per cent better than at this time a year ago. In the drought districts, remittances have almost ceased since the early part of July. As the sales of materials to those who obtained funds from the Home Owners' Loan Corporation have been on a cash basis, or close to cash, collection averages have been improved.

Wallpaper Demand Widening

The trend in the wallpaper division continues upward, excepting in the drought-devasted territories. Consumer buying is averaging about 25 per cent larger than in the same period of 1933, with a noticeable increase in the demand for the higher-priced qualities. Wallpaper is gaining steadily in popularity and is being used in 90 per cent of the later constructed residences. Fabric effects in the lighter and milder color tones are at present the best sellers. Oil finishes permit repeated cleanings and offer a more practical wall-covering than heretofore.

Wholesalers have received a good volume of orders for Fall delivery, and this division of the industry is looking forward to a decided broadening demand after September, as the result of the release by the Government of funds for home-building and rehabilitation work. In addition, interior decorators are reporting the largest bookings for Fall work in three years, with the majority

of the specifications calling for wallpaper. While prices of material have gone up to some extent, the rise has been small.

Atlanta

There has been a good increase in sales of all paints and varnishes thus far this year, averaging 20 to 25 per cent over the same period of 1933. This increase has been occasioned largely through demands occasioned by requirements incident to home loans of H.O.L.C. and C.W.A. projects. Outside paints are in the best demand, and no change in prices is noted or anticipated. Continued good demand expected.

Baltimore

Production of paint and varnish during the early months of the year showed an increase of some 20 per cent in dollar value over the corresponding period of 1933. In recent months, a rather sharp decline has been noted. The net result is an increase of approximately 15 per cent for the period in dollar value, but considering increased cost of raw materials

and the attending advancement in prices for the manufactured product, the unit volume shows little change.

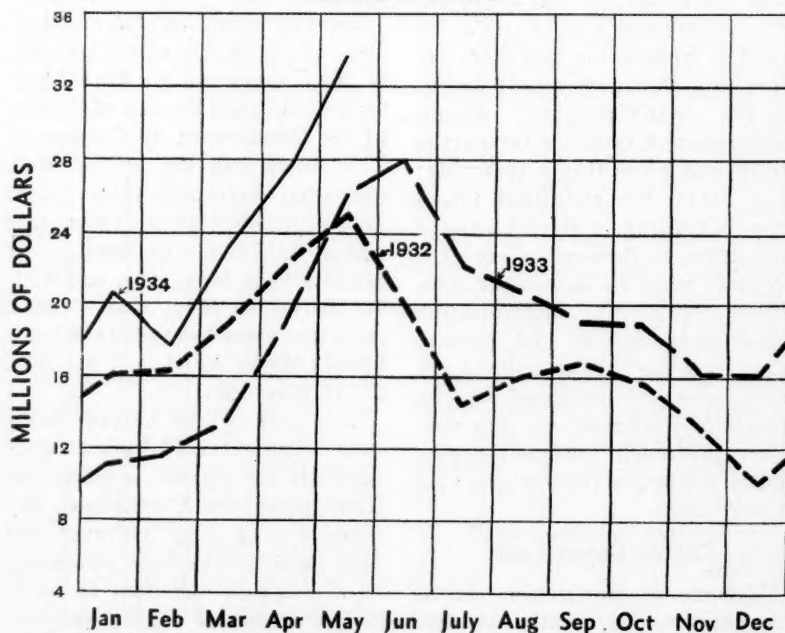
Buyers in this market appear to favor the better grades, particularly in marine paints, and demand has been largely for this class of merchandise. Prices generally have stiffened, with an average gain of 15 to 20 per cent.

The Fall season is normally a good period and, with demand stimulated by necessity for making long-delayed repairs, volume during this period is expected to rival the early Spring period. Manufacturers and dealers report the outlook quite favorable and, with the already stabilized prices, are confident this trade will show definite improvement during the third and fourth quarters, particularly so if building construction shows any signs of improvement.

Boston

Until the end of June, the volume of business was running 35 to 40 per cent ahead of last year's. July and August were quiet months. Prices average about 10

SALES OF PAINT, VARNISH AND LACQUER PRODUCTS *
(588 Manufacturers)



(*) Based on statistics compiled by Bureau of Census
Sales by manufacturers in May rose to \$33,678,877, the highest total recorded since June, 1930, making the thirteenth successive month that the comparative record of the year preceding has been exceeded. It represented a gain of 28.3 per cent over May, 1933, and was 34.5 per cent above the May, 1932, total.

per cent higher than last year and are steady. Prospects for Fall business are encouraging.

Cincinnati

The paint industry is hopefully looking forward to improvement in construction work during the Fall months, which is expected to develop, as a result of release by the Government of funds for home building and rehabilitation projects. Federal work under C.W.A. division, including other outdoor work on the part of individuals and industries, materially added to the upswing which occurred during the Spring season, when sales averaged about 30 per cent in excess of the same period last year.

The trend in the wallpaper division continues upward, with only slight variation. Gains in sales during the past year averaged about 25 per cent by comparison with the volume of the preceding year. Demand is largely for cheaper grade merchandise, with rough plastic designs the most popular.

Cleveland

Paint sales during the first seven months are estimated 20 to 30 per cent greater than last year. The sharp recovery which was effected in this industry in 1933 was carried over into the first half of 1934, when leading manufacturers reported substantial increases in earnings. Paint for maintenance and home purposes has been in very satisfactory volume, and industrial sales have also been ahead of last year. Increased employment and legislation furthering loans to home owners for repairs have been beneficial to the industry.

Retail prices have shown little change, but raw material costs advanced. Inventories are generally higher than a year ago. Since the middle of June, there has been a falling-off from the seasonally high levels of April and May, but an upturn is anticipated in the Fall. The National Housing Act is expected ulti-

mately to prove of considerable benefit to the industry, although, as yet, its effects have not been fully shown.

Dallas

Dallas is an important paint-distributing center, with branches of several national concerns, as well as several independent manufacturers. Reports covering the first seven months of the current year indicate an increase of 25 to 35 per cent in the dollar volume of sales, as compared with the corresponding period of 1933.

A timid consumer demand, however, has kept the retail prices from advancing in line with manufacturing costs, so that the manufacturers are finding it as hard or harder than ever to realize a profit. Collections during the past month have fallen off to a marked extent, due to the prolonged drought.

Detroit

While the level of the trade's activity was lowered slightly during the first month of the third quarter, in line with the automobile schedules of production, current sales are 15 per cent higher than in 1933 and 40 per cent better than the first half of 1932, standing now closely in line with 1931, at which level, approximately, schedules of production are riding along contentedly.

Sales were quite active during the Spring season and throughout the second quarter. Distributors and dealers had the best Spring trade in three years, the average increase for the half year, outside of industrial purchases, being for outside building coverings, touch-up enamels and interior finishes. By far the largest part, however, was for automobile manufacturers and body builders; also for re-conditioning breweries.

Indianapolis

Manufacturing and wholesale distribution of paints and varnishes reached substantially higher levels during the first six months of 1934 over the similar

period of 1933, the increase being approximately 5 per cent. During the Spring, interior paints had a more active demand, but at the present time demand has quieted down and industrial items are moving more freely.

Prices have been remaining on a stable basis and no material change is anticipated in the near future. Collections have been generally reported as fair, although remittances from the dealer trade have been more satisfactory than from the contractors. Much optimism is being displayed over the prospects for Fall business.

Kansas City

General volume of business and collections up until recently have been quite satisfactory and business was much better than it was for the first six months of 1933. The general outlook for the closing months of the year is not quite as optimistic as it formerly was. Prices are expected to remain rather steady, in comparison with what they have been the past several months.

The best-selling items of recent months have been the varnishes and lacquers to the automobile trade, although house paint has run a close second, and the activity in that line is accounted for by extensive repair work and outfitting being done by the home owners, primarily in connection with the Home Owners' Loan Corporation.

Los Angeles

Production in this industry for the last quarter has averaged 10 per cent above that of a year ago, with very little price change. The increase is due to the demand for materials for household repairs and betterments under the Federal home betterment program, in connection with loan funds made available through the Home Owners' Loan Corporation.

Hence, the best-selling items are in house paints, varnishes, and floor coverings. A large portion of this new business has been transacted on a cash basis, or close

to cash, and collection averages have been much improved thereby.

Minneapolis

There was a wide advance in the movement of paints and varnishes in the wholesale division until the end of May, this attributed to the optimistic attitude taken by country dealers in anticipation of a favorable outlook. In view of this, and in anticipation of higher prices, retailers made heavy purchases. This uptrend in sales ended abruptly, due to drought conditions and dust storms, which were instrumental in cancellation of a large number of orders.

Prospects for any great improvement are not looked forward to until the late Fall or early Spring. General dryness and shortage of crops is having a decidedly unfavorable effect on country collections, which are abnormally low.

Omaha

There is no production of moment in this territory and in distribution the best-selling item seems to be outside house paint. Volume has maintained an improvement over last year, between 10 and 20 per cent, but is considerably below the anticipated amount, due to the extreme drought and unfavorable weather conditions. The months prior to July were better than the volume since the beginning of July.

The outlook for Fall business is fair, as a number of jobs are demanding attention. Because of the drought, high winds, high temperatures, and dust storms which have prevailed almost constantly since early Spring, much work which otherwise would have materialized has been postponed.

Portland, Ore.

Production during the first six months of the year, compared with the same period of 1933, increased about 50 per cent, with demand for exterior items greatly in the majority. Prices have shown an increase averaging 5 per cent with collections fair to good in the

wholesale trade and fair in the retail branch.

May, particularly, was an active month; but, with the advent of the longshoremen's strike late in May, trade fell off to a great extent during June and July.

Richmond

Business was very good during the Spring months, but fell to seasonal levels for June and July. Sales for the first seven months were largely in excess of the same period last year. Very little demand is in evidence for paint for private industry and homes, the demand, centering in Government requirements for new construction of army posts in Virginia. The demand for bridge paint also is above normal. Prospects for Fall are good.

St. Louis

Sales for March, April and May, which months comprise the peak period of this trade, were the best in several years. The volume of Spring sales was indicated to be from 20 to 35 per cent above those of 1933. This increase may be attributed, to an extent, to Government projects as well as to the improvement in general business conditions.

Stocks are reported larger, due probably to anticipation of price increases and expanding demand. The demand is reported to be the most active from the automobile, refrigerator, radio and furniture trades. Considerable outdoor work also was reported, including the rehabilitation of homes and farms. The higher costs of raw materials have resulted in lifting the price level from 20 to 25 per cent above that of a year ago, and, generally speaking, the trend appears to be upward.

Seattle

Manufacturers of paint and varnish in this district report sales for the first six months of 1934 at 20 per cent ahead of the same period in 1933. This gain was made early in the Spring and by March their sales were considerably ahead of last year, but during

June the business was affected by the longshoremen's strike and sales were barely even with June of 1933. Collections in this branch of the industry are classed as good, although a considerable slowing-up has been noticed since July.

Failures Growing Fewer

The downtrend of failures in the paint industry has not gained much momentum, as yet, but the record is more encouraging than it was last year, as the total number of firms that were declared bankrupt from January to July was less than half the total of 1933. While the loss which these failures caused was reduced by a larger percentage. This was true especially in the distributive division.

In 1933, it was the manufacturing division for which the largest reduction in failures was recorded, as the number dropped to 20 from 45 in 1932, while the defaulted indebtedness declined from \$1,453,839 to \$840,626, or a decrease of 42.2 per cent. For both divisions of the trade, insolvencies in 1933 numbered 118, against 158 in 1932, a drop of only 40, or 28.3 per cent, while the money loss which these failures entailed in 1933 decreased to \$2,250,275 from \$2,797,275 in 1932, a difference of only \$537,000, or 19.3 per cent.

The complete insolvency record of the paint trade since 1927, including the first seven months of the current year, as compiled by Dun & Bradstreet, Inc., shows:

Manufacturers of Paint

Year	Number	Liabilities
1927.....	11	\$261,600
1928.....	13	272,575
1929.....	21	336,008
1930.....	20	1,152,556
1931.....	26	2,592,024
1932.....	45	1,453,839
1933.....	20	840,626
1934*.....	11	588,673

Wholesalers and Retailers of Paint

Year	Number	Liabilities
1927.....	85	\$932,229
1928.....	84	791,019
1929.....	91	5,650,373
1930.....	116	1,843,693
1931.....	109	1,546,173
1932.....	113	1,333,436
1933.....	98	1,410,649
1934*.....	44	315,539

(*) January to July, inclusive.

FAILURES DURING YEAR REDUCED 47.1 PER CENT

IN the monthly statement of business failures in the United States for August, as compiled from the records of Dun & Bradstreet, Inc., the number was slightly above that for July, but below the total for any other month in fourteen years. The trifling increase over July, however, was without significance, as the report shows a further reduction in the amount of liabilities.

With the exception of July, the number of business defaults in August was the lowest for any month back to October, 1920. The record shows 929 failures during the past month. In July there were 912 such defaults; but, on account of the Independence Day holiday, that month had one less business day than August of this year. Allowance for this appears in the Insolvency Index, which for August was 54.3, against 56.9 for July.

	August, 1934		
	Number	Ratio	Liabilities
Manufacturers	237	25.5	\$7,489,195
Traders:			
Retail	518	55.8	6,062,433
Wholesale	79	8.5	1,506,964
Agents and Brokers.	95	10.2	3,401,311
Total U. S.	929	100.0	\$18,459,903

	August, 1933		
	Number	Ratio	Liabilities
Manufacturers	357	24.3	\$15,192,247
Traders:			
Retail	921	62.6	15,713,627
Wholesale	80	5.4	2,503,708
Agents and Brokers.	114	7.7	9,366,472
Total U. S.	1,472	100.0	\$42,776,049

The decided change that has occurred over recent preceding years in the matter of business failures is indicated by the difference shown this year, between the record for 1934 and that for every year back to 1920. In August last year, 1,472 business defaults occurred, while for that month in 1932 the high-record total for August was reached at 2,796. The decline in August this year from a year ago was 543, equivalent to

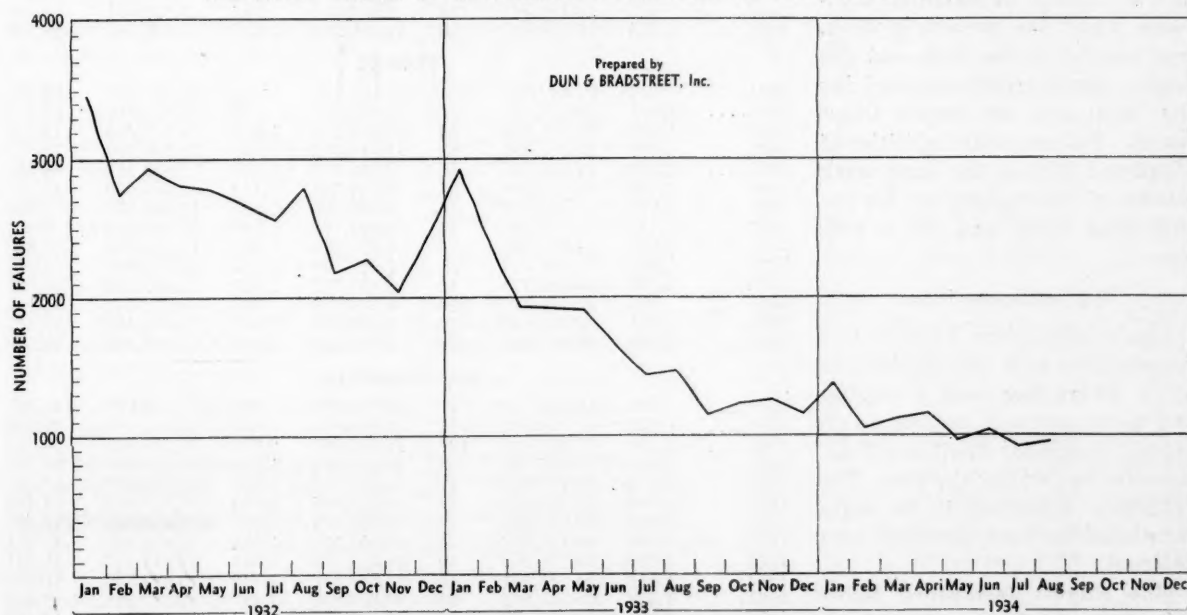
a reduction of 36.9 per cent. The failures for August, this year, numbered less than one-third of the total for that month in the disastrous year 1932.

Total liabilities reported last month were \$18,459,903. These figures compare with \$19,325,517 for July and \$42,776,049 in August, 1933. The high number of business defaults in August, 1932, carried with it a total of \$77,031,212 in indebtedness.

The Year's Record

For the seven months of 1934 there have been 7,489 business failures reported in the United States with total liabilities of \$171,119,227. These figures compare with 14,144 similar defaults in the corresponding period of 1933, for which number \$355,071,851 of defaulted indebtedness was shown.

MONTHLY TREND OF COMMERCIAL FAILURES IN THE UNITED STATES



The 912 commercial failures recorded for July was the smallest number that has appeared in the tabulation for any month since 1920. In July, 1932, there were 1,421 similar defaults, making the reduction from a year ago 35.8 per cent. In August there was a trifling increase, which carried the total number up to 929.

The decrease in the number of failures in the seven months of this year, over that period in the preceding year was 6,655, or 47.1 per cent lower. For August this year the reduction in the number of defaults from that month last year was 36.9 per cent.

The change that these figures reflect, was due to the fact that business failures in the early months of 1933 were very heavy. They were much more numerous than they were in the same months of this year. Later, there was a marked decrease in each month in both years. Last year, the reduction from January to August was considerably more than seasonal, but the decline was relatively greater in 1933 than it was in 1934.

The improvement noted for 1934 has continued right along up to the latest week. The total for the week ended August 30 was reduced to 202 from 218 for the week previous, and compared with 311 and 549, respectively, for the same week of the two preceding years. The reduction from last year was equivalent to 35.0 per cent, and there have been only three weeks so far this year when the ratio of decline has been less than that figure.

The reduction in the latest week in the number of defaults, compared with the preceding week, was wholly in the East and the South. An increase appeared for the West and the Pacific Coast States. Failures with liabilities of \$5,000 and over in the latest week numbered 123, against 143 for the preceding week, and 205 a year ago.

The Insolvency Index

Dun's Insolvency Index for August this year has declined to 54.3. There has been a regular and quite uniform decline each month, except for April and June, since the opening of the year. The reduction, especially in the early months of the year, was more than seasonal.

The August Insolvency Index was the lowest for any month back to September, 1920. It compares

Failures by Federal Reserve Districts—August

Districts	Number			Liabilities	
	1934	1933	1932	1934	1933
Boston (1).....	106	150	251	\$1,580,032	\$3,272,274
New York (2).....	339	348	614	6,993,385	11,941,992
Philadelphia (3).....	33	80	138	1,766,954	3,048,492
Cleveland (4).....	67	118	277	1,919,770	3,790,702
Richmond (5).....	51	91	171	440,675	1,917,769
Atlanta (6).....	19	57	141	348,997	1,632,818
Chicago (7).....	106	189	404	2,753,982	4,168,917
St. Louis (8).....	25	45	144	336,146	843,060
Minneapolis (9).....	16	65	69	110,387	2,342,931
Kansas City (10).....	44	84	174	517,623	3,019,247
Dallas (11).....	17	53	92	146,426	1,559,123
San Francisco (12).....	106	192	321	1,545,526	5,238,724
Total United States.....	929	1,472	2,796	\$18,459,903	\$42,776,049

August, 1934

Districts	Manufacturing		Trading		Other Com'l	
	No.	Liabilities	No.	Liabilities	No.	Liabilities
First	31	\$547,945	67	\$763,645	8	\$268,442
Second	98	2,343,643	189	2,358,831	52	2,290,911
Third	11	1,401,696	19	327,135	3	38,123
Fourth	23	1,247,976	41	650,294	3	21,500
Fifth	10	83,397	35	321,613	6	35,665
Sixth	3	201,213	16	147,784	.....	.....
Seventh	20	1,003,593	73	1,132,803	13	617,586
Eighth	6	147,948	18	176,198	1	12,000
Ninth	2	17,500	13	92,587	1	300
Tenth	3	15,500	39	496,481	2	5,642
Eleventh .....	.....	.....	17	146,426	.....	.....
Twelfth	30	478,784	70	955,600	6	111,142
Total U. S.	237	\$7,489,195	597	\$7,569,397	95	\$3,401,311
Total Aug., 1933	357	\$15,192,247	1,001	\$18,217,330	114	\$9,366,472

Large and Small Failures—August

	MANUFACTURING						Average
	Total		\$100,000 & More		Under \$100,000		
	No.	Liabilities	No.	Liabilities	No.	Liabilities	
1934....	237	\$7,489,195	23	\$4,308,987	214	\$3,180,208	\$14,861
1933....	357	15,192,247	33	10,179,588	324	5,012,659	15,471
1932....	649	27,461,210	47	14,624,982	602	12,836,228	21,323
1931....	427	16,967,317	45	12,055,270	382	4,912,047	12,860
1930....	566	22,734,635	46	15,232,637	520	7,501,998	14,425
1929....	482	13,856,696	28	7,290,717	454	6,565,979	14,462
1928....	493	16,877,179	35	10,941,963	458	5,935,216	12,959
1927....	438	14,921,067	30	8,485,778	408	6,435,289	15,773
1926....	449	12,515,585	30	5,929,274	419	6,586,311	15,719
1925....	365	22,338,628	24	17,528,230	341	4,810,398	14,107
1924....	414	29,924,175	33	22,490,778	381	7,433,397	19,510
1923....	385	15,987,913	27	10,095,052	358	5,892,861	16,461
1922....	420	13,101,361	28	7,872,710	392	5,228,651	13,338
1921....	373	16,479,817	36	11,030,932	337	5,448,885	16,169
	TRADING						
1934....	597	\$7,569,397	14	\$2,188,331	583	\$5,381,066	\$9,230
1933....	1,001	18,217,330	27	7,037,519	974	11,179,811	11,478
1932....	1,970	36,903,639	60	12,888,216	1,910	24,015,423	12,574
1931....	1,381	25,847,665	38	11,910,965	1,343	13,936,700	10,377
1930....	1,234	17,829,159	26	5,940,640	1,208	11,888,519	9,850
1929....	1,163	16,001,656	21	3,647,147	1,142	12,354,509	10,818
1928....	1,241	19,096,017	16	6,895,265	1,225	12,200,752	9,960
1927....	1,174	14,702,047	14	4,021,765	1,160	10,680,282	9,207
1926....	1,071	14,095,543	14	3,670,379	1,057	10,425,164	9,863
1925....	1,069	13,469,130	15	2,987,766	1,054	10,472,364	9,936
1924....	1,024	16,360,776	15	5,698,912	1,009	10,661,864	10,567
1923....	888	13,124,649	23	4,349,378	865	8,775,271	10,145
1922....	1,231	18,345,843	22	4,545,363	1,209	13,800,480	11,415
1921....	1,085	20,474,508	22	6,571,129	1,063	13,903,379	13,079

TRADING

	No.	Liabilities	No.	Liabilities	No.	Liabilities	Average
1934....	597	\$7,569,397	14	\$2,188,331	583	\$5,381,066	\$9,230
1933....	1,001	18,217,330	27	7,037,519	974	11,179,811	11,478
1932....	1,970	36,903,639	60	12,888,216	1,910	24,015,423	12,574
1931....	1,381	25,847,665	38	11,910,965	1,343	13,936,700	10,377
1930....	1,234	17,829,159	26	5,940,640	1,208	11,888,519	9,850
1929....	1,163	16,001,656	21	3,647,147	1,142	12,354,509	10,818
1928....	1,241	19,096,017	16	6,895,265	1,225	12,200,752	9,960
1927....	1,174	14,702,047	14	4,021,765	1,160	10,680,282	9,207
1926....	1,071	14,095,543	14	3,670,379	1,057	10,425,164	9,863
1925....	1,069	13,469,130	15	2,987,766	1,054	10,472,364	9,936
1924....	1,024	16,360,776	15	5,698,912	1,009	10,661,864	10,567
1923....	888	13,124,649	23	4,349,378	865	8,775,271	10,145
1922....	1,231	18,345,843	22	4,545,363	1,209	13,800,480	11,415
1921....	1,085	20,474,508	22	6,571,129	1,063	13,903,379	13,079

ALL COMMERCIAL

	No.	Liabilities	No.	Liabilities	No.	Liabilities	Average
1934....	929	\$18,459,903	47	\$8,274,731	882	\$10,185,172	\$11,548
1933....	1,472	42,776,049	83	24,865,863	1,389	17,910,186	12,894
1932....	2,796	77,031,212	128	36,682,281	2,668	40,348,931	15,123
1931....	1,944	53,025,132	95	32,416,072	1,849	20,609,060	11,146
1930....	1,913	49,180,653	91	28,297,036	1,822	20,683,617	11,461
1929....	1,762	33,746,452	57	13,553,856	1,705	20,192,596	11,843
1928....	1,852	58,201,830	64	38,747,026	1,788	19,454,804	10,881
1927....	1,708	39,195,953	54	20,554,170	1,654	18,641,783	11,271
1926....	1,593	28,129,660	49	10,311,253	1,544	17,818,407	11,541
1925....	1,513	37,158,861	43	21,069,316	1,470	16,089,545	10,945
1924....	1,520	55,153,981	53	36,064,690	1,467	19,089,291	13,012
1923....	1,319	34,354,722	56	19,041,068	1,263	15,293,654	12,109
1922....	1,714	40,279,718	59	20,385,557	1,655	19,894,161	12,021
1921....	1,562	42,904,409	69	23,036,866	1,493	19,867,543	13,307

with 86.7 for August, 1933, and with 155.5 for that month two years ago. The latter was the highest for any August previously shown. For the five-year period 1925-1929, inclusive, the Insolvency Index for August stood at 90.9.

The Insolvency Index measures the number of failures in proportion to the number of concerns engaged in business in the United States. The figures indicate that for each 10,000 business firms failures, for the past month, numbered 54.3 on the average.

This record in recent years has run as high as 201.8 for January, 1932. For no other month has this average been equalled. As a gen-

Failures in Specified Cities in the United States—August

City	Fed. Res. Dist.	Pop.	Failures			
			August, 1934		August, 1933	
			No.	Liabilities	No.	Liabilities
Baltimore	5	804,874	12	\$83,126	28	\$1,200,673
Boston	1	781,188	17	388,035	16	258,795
Buffalo	2	573,076	10	125,915	7	728,758
Chicago	7	3,376,438	37	1,152,300	52	1,345,600
Cincinnati	4	451,160	8	287,950	13	422,823
Cleveland	4	900,429	15	203,497	18	257,824
Detroit	7	1,568,662	5	46,708	21	444,377
Indianapolis	7	364,161	1	9,007	1	5,000
Jersey City	2	316,716	1	6,000	6	262,672
Kansas City, Mo.	10	399,746	3	46,500	5	13,280
Los Angeles	12	1,238,048	22	597,248	50	1,949,950
Milwaukee	7	578,248	10	169,298	14	358,140
Minneapolis	9	464,356	3	7,094	12	80,775
Newark	2	442,337	19	589,553	9	153,853
New York City	2	6,930,446	168	3,173,194	217	8,588,445
Philadelphia	3	1,950,961	19	743,385	20	557,757
Pittsburgh	4	669,817	2	31,993	11	1,726,310
Portland, Ore.	12	301,815	14	149,298	13	654,093
Rochester	2	328,132	1	709	12	97,843
St. Louis	8	821,960	4	71,827	10	234,010
San Francisco	12	634,394	7	92,821	22	322,193
Seattle	12	365,583	9	141,261	10	447,139
Washington, D. C.	5	486,869	6	25,886	16	200,690
Total .....	..	.....	393	\$8,142,605	583	\$20,311,000

Analysis of Failures by Liability Groups for August

	Number		Ratio		Liabilities			
	1934	1933	1934	1933	1934		1933	
					Total	Average	Total	Average
Under \$5,000.....	357	38.4	559	38.0	\$941,268	\$2,637	\$1,518,370	\$2,716
\$5,000 to \$25,000..	418	45.0	619	42.1	4,327,643	10,353	7,050,467	11,390
\$25,000 to \$100,000	107	11.5	211	14.3	4,916,261	45,946	9,341,349	44,272
\$100,000 and over..	47	5.1	83	5.6	8,274,731	176,058	24,865,863	299,589
Total	929	100.0	1,472	100.0	\$18,459,903	\$19,870	\$42,776,049	\$29,060

per cent. It is apparent that the decline this year has been about seasonal.

By Business Lines

For the month just closed, there were 597 failures in trading lines, with \$7,569,397 of liabilities; 237 defaults in the manufacturing

eral thing, the Insolvency Index is the highest of the year in January, there being a decline for each succeeding month. As a rule, the Insolvency Index will show a reduction each month until August or September, when there is usually an increase until the end of the year.

For this year to date, the reduction has been recorded each month with the exception of April and June. The decline from January this year to August has been 28.2 points, equivalent to a reduction of 34.2 per cent.

For the year 1933, the decline from January to August was 92.7 points, or 51.6 per cent. Relatively, the reduction was greater in 1933 than during this year. The five-year average, covering the years 1925 to 1929, inclusive, may be considered more nearly normal in the matter of the seasonal decline. The reduction for the period from January to August in those years averaged 48.6 points, equivalent to a falling off of 34.8

Failures by Branches of Business—August, 1934

	Number			Liabilities	
	August, 1934	August, 1933	August, 1932	August, 1934	August, 1933
MANUFACTURERS					
Iron, Steel and Foundries.....	16	19	31	\$1,093,873	\$1,116,100
Machinery and Tools.....	14	30	37	449,051	1,879,015
Woolens, Carpets, etc.....	1	2	5	116,650	158,140
Cottons and Lace.....	1	1	3	25,000	1,618
Lumber and Building Lines.....	32	42	74	1,291,237	2,652,506
Clothing and Furnishings.....	22	19	88	746,072	301,749
Hats, Gloves and Furs.....	8	8	21	110,190	129,715
Chemicals and Drugs.....	5	24	17	22,127	635,936
Paints.....	..	1	2	.....	14,111
Printing and Publishing.....	16	18	42	175,133	212,632
Milling and Bakers.....	21	33	47	183,882	478,700
Leather and Shoes.....	11	11	28	219,541	35,174
Tobacco.....	1	9	8	8,000	284,957
Stone, Clay and Glass.....	5	17	17	146,152	630,556
All Other.....	84	123	229	2,902,287	6,661,338
Total Manufacturers.....	237	357	649	\$7,489,195	\$15,192,247
TRADERS					
General Stores.....	19	41	107	\$145,348	\$490,844
Groceries, Meat and Fish.....	204	291	414	2,177,582	2,729,568
Hotels and Restaurants.....	61	89	132	1,112,116	3,998,145
Tobacco.....	10	7	27	215,482	29,276
Clothing and Furnishings.....	44	103	304	417,500	1,805,472
Dry Goods and Carpets.....	31	54	136	310,945	707,830
Shoes and Luggage.....	18	32	86	152,819	432,225
Furniture and Crockery.....	7	24	84	275,400	756,876
Hardware, Stoves and Tools.....	16	34	53	121,852	514,409
Chemicals and Drugs.....	61	85	121	658,821	1,421,153
Paints.....	8	14	12	54,837	152,617
Jewelry and Clocks.....	11	22	67	235,452	355,271
Books and Paper.....	12	18	29	225,445	319,841
Hats, Gloves and Furs.....	3	13	14	16,483	109,115
All Other.....	92	174	384	1,440,015	4,394,598
Total Traders.....	597	1,001	1,970	\$7,569,397	\$18,217,330
Agents and Brokers.....	95	114	177	3,401,311	9,366,472
Total United States.....	929	1,472	2,796	\$18,459,903	\$42,776,049

division, for which the total indebtedness was \$7,489,195, and 95 other failures, mostly among agents and brokers, owing a total of \$3,401,311.

Of the trading class, 518 were retail dealers, for which the indebtedness was \$6,062,433, and 79 wholesale dealers, owing \$1,506,964. It was the trading division that showed some slight improvement in comparison with the other classes. That has been the case in some of the recent months.

In August, 1933, the number of trading failures was 1,001 and the total liabilities reported \$18,217,330. Manufacturing defaults in that month numbered 357, the liabilities involved \$15,192,247, while for the third class the number was 114 and the indebtedness \$9,366,472.

In August this year trading failures constituted 64.4 per cent of the total number of all business defaults in that month, while in August, 1933, the ratio of the trading failures to the total was 68.0 per cent. On the other hand, manufacturing defaults last month were 25.5 per cent of the total number, against 24.3 per cent a year ago, and for the third class in August this year the ratio was 10.1 per cent, compared with only 7.7 per cent in August last year.

For the division last mentioned, 95 failures in August this year compared with 114 in that month a year ago, but the total number of failures at that time, in August, 1933, was so heavy, compared with this year, that the ratio varied considerably for the third class. In all three divisions the liabilities were very much less this year.

For the section embracing agents and brokers, the indebtedness shown a year ago was nearly three times that of last month. Considerably more than double the amount was reported in liabilities for the trading class in August, 1933, than for the month just closed. The liabilities reported for the manufacturing class a year ago were just about double those shown for this year's record.

It is, therefore, apparent that

Analysis of Failures by States—August, 1934

	Number			Liabilities		
	Aug., 1934	July, 1934	Aug., 1933	August, 1934	July, 1934	August, 1933
NEW ENGLAND						
Maine	12	7	12	\$204,819	\$64,504	\$65,798
New Hampshire.....	6	3	2	33,672	155,656	2,914
Vermont	2	1	3	15,105	10,267	161,458
Massachusetts	55	42	88	928,501	1,068,867	2,368,521
Connecticut	36	14	36	374,497	277,231	675,352
Rhode Island.....	10	6	15	152,418	32,160	76,790
Total	121	73	156	\$1,709,012	\$1,608,685	\$3,350,833
MIDDLE ATLANTIC						
New York	256	289	299	\$5,031,796	\$6,609,958	\$10,728,722
New Jersey	67	45	48	1,824,609	1,228,361	1,323,762
Pennsylvania	41	51	107	2,420,461	1,411,296	4,604,005
Total	364	385	454	\$9,276,866	\$9,249,615	\$16,656,489
SOUTH ATLANTIC						
Maryland	14	22	31	\$89,643	\$429,038	\$1,189,665
Delaware .....	..	..	1	.....	.....	4,319
District of Columbia...	6	6	16	25,886	290,064	200,690
Virginia	12	15	5	99,155	151,441	12,728
West Virginia.....	11	8	17	122,105	142,341	254,330
North Carolina.....	8	12	16	93,123	573,477	243,297
South Carolina.....	3	2	6	94,077	230,000	75,947
Georgia	3	10	16	7,826	105,420	335,017
Florida	2	10	8	22,746	151,916	257,127
Total	59	85	116	\$554,561	\$2,073,697	\$2,573,120
SOUTH CENTRAL						
Kentucky	6	3	5	\$20,675	\$23,182	\$34,078
Tennessee	10	8	21	337,214	78,357	701,765
Alabama	4	4	10	13,908	56,428	402,451
Mississippi	7	2	9	59,969	6,768	83,422
Arkansas	8	1	13	106,224	5,122	222,733
Oklahoma	11	9	13	50,204	58,611	74,700
Louisiana	1	3	5	53,218	28,800	63,977
Texas	16	19	46	141,814	332,366	1,493,964
Total	63	49	122	\$783,226	\$589,634	\$3,077,090
CENTRAL EAST						
Ohio	52	41	79	\$1,171,549	\$1,187,371	\$1,951,278
Indiana	11	10	11	177,340	107,694	199,166
Illinois	56	46	103	2,105,805	1,102,050	2,257,093
Michigan	13	11	40	131,958	310,668	674,422
Wisconsin	23	18	44	330,574	234,637	1,063,812
Total	155	126	277	\$3,917,226	\$2,942,420	\$6,145,771
CENTRAL WEST						
Minnesota	10	12	34	\$82,928	\$167,131	\$1,724,600
Iowa	6	4	18	32,079	17,205	632,798
Missouri	11	8	26	142,432	49,798	329,707
North Dakota.....	1	..	5	1,716	.....	50,547
South Dakota.....	3	1	3	3,800	300	15,046
Nebraska	15	7	22	65,289	31,682	85,333
Kansas	3	6	13	24,966	251,013	100,569
Total	49	38	121	\$353,210	\$517,129	\$2,938,600
WESTERN						
Montana	1	1	8	\$5,000	\$2,000	\$62,262
Idaho .....	..	3	1	.....	28,999	7,000
Wyoming .....	..	3	4	.....	18,767	82,144
Colorado	10	8	17	310,664	96,586	2,585,898
New Mexico.....	1	..	3	4,612	.....	33,285
Arizona .....	..	..	2	.....	.....	23,505
Utah	4	3	8	18,013	13,020	73,700
Nevada .....	..	..	..	.....	.....	.....
Total	16	18	43	\$338,289	\$159,372	\$2,867,794
PACIFIC						
Washington	20	24	26	\$231,752	\$548,453	\$557,534
Oregon	18	14	30	164,696	105,403	516,619
California	64	100	127	1,131,065	1,531,109	4,092,199
Total	102	138	183	\$1,527,513	\$2,184,965	\$5,166,352
UNITED STATES						
Total	929	912	1,472	\$18,459,903	\$19,325,517	\$42,776,049

Failures by Divisions of Industry—August, 1934

MANUFACTURERS	Number		Liabilities	
	Aug., 1934	Aug., 1933	Aug., 1934	Aug., 1933
Foods	18	30	\$1,366,868	\$1,764,009
Milling and Bakers	21	33	183,882	478,700
Chemicals and Drugs	5	9	22,127	360,136
Clothing and Furnishings	22	19	746,072	301,749
Textiles (Other)	19	20	443,216	665,174
Hats, Gloves and Furs	8	8	110,190	129,715
Leather and Shoes	11	11	219,541	35,174
Paints .....	..	1	.....	14,111
Rubber Goods	2	..	3,000	.....
Tobacco and Beverages	1	9	8,000	284,957
Furniture	4	4	190,619	131,322
Lumber and Building Lines	28	38	1,100,618	2,521,184
Machinery	9	20	174,568	1,759,620
Transportation Equipment	5	13	274,483	342,010
Iron and Steel	20	45	1,167,412	1,647,187
Non-Ferrous Metals	10	9	113,107	105,774
Petroleum and Coal	1	5	400,000	2,742,010
Printing and Publishing	16	18	175,133	212,632
Paper and Paper Products .....	..	1	.....	3,800
Stone, Clay and Glass	5	17	146,152	630,556
All Other	32	47	644,207	1,062,427
Total Manufacturers	237	357	\$7,489,195	\$15,192,247
RETAIL DEALERS				
General Stores	19	41	\$145,348	\$490,844
Groceries, Meat and Fish	167	264	1,247,264	2,056,629
Clothing and Furnishings	44	102	417,500	1,685,472
Dry Goods and Department Stores	30	52	306,478	689,830
Hats, Gloves and Furs	3	13	16,483	109,115
Leather and Shoes	15	29	134,165	380,775
Furniture	3	19	227,000	552,907
Lumber and Building Materials	5	8	73,277	137,986
Chemicals and Drugs	59	73	563,821	1,319,024
Paints	6	10	43,837	55,617
Tobacco, Billiards and Beverages	10	7	215,482	29,176
Paper and Paper Products	8	16	169,209	144,088
Books and Periodicals	2	6	51,500	84,096
Rubber Goods .....	..	5	.....	164,125
Jewelry and Clocks	10	22	230,752	355,271
Machinery	9	10	91,184	255,382
Non-Ferrous Metals	1	1	2,000	12,982
Hardware and Tools	12	33	85,587	502,499
Iron and Steel	2	4	11,381	88,130
Hotels and Restaurants	61	89	1,112,116	3,998,145
Petroleum and Coal	12	22	199,865	1,102,200
Stone, Clay and Glass	2	2	24,000	50,164
Transportation Equipment	13	24	197,511	514,501
All Other	25	60	496,673	934,669
Total Retail Dealers	518	921	\$6,062,433	\$15,713,627
WHOLESALE DEALERS				
Books and Periodicals .....	..	..	.....	.....
Chemicals and Drugs	2	2	\$95,000	\$46,558
Furniture	1	1	35,000	16,000
Lumber and Building Materials	2	7	38,438	495,321
Groceries, Meat and Fish	35	27	930,318	672,939
Iron and Steel	5	7	92,837	180,031
Leather and Shoes	3	3	18,654	51,452
Machinery	2	2	18,400	86,671
Non-Ferrous Metals	2	2	16,700	128,524
Paints	2	4	11,000	97,000
Paper and Paper Products	2	2	4,736	135,000
Petroleum and Coal	2	2	31,048	55,461
Rubber Goods .....	..	3	.....	26,363
Stone, Clay and Glass	3	2	26,798	39,591
Clothing and Furnishings .....	..	1	.....	120,000
Dry Goods	1	2	4,467	18,000
Transportation Equipment	3	2	12,566	4,400
All Other	14	11	171,002	330,392
Total Wholesale Dealers	79	80	\$1,506,964	\$2,503,703
AGENTS AND COMMERCIAL SERVICE				
Advertising	4	4	\$42,659	\$35,673
Brokers (Investment)	4	4	261,316	145,000
Cleaners	7	6	82,236	54,134
Garages	9	12	53,780	359,572
Hauling	9	11	318,254	108,237
Insurance and Real Estate	25	38	1,835,051	6,086,311
Laundries	1	5	12,000	77,162
Taxicab Companies .....	..	3	.....	14,429
Undertakers	4	9	34,254	121,164
All Other	32	22	761,761	2,373,790
Total Agents & Commercial Ser.	95	114	\$3,401,311	\$9,366,472
Total United States	929	1,472	\$18,459,903	\$42,776,049

relatively the trading section makes the best showing, not only as to the number of defaults, but for the indebtedness as well.

Monthly and Quarterly Failure Figures

	Number			Liabilities
	1934	1933	1932	1934
August	929	1,472	2,796	\$18,459,903
July	912	1,421	2,596	19,325,517
June	1,033	1,648	2,688	\$23,868,293
May	977	1,909	2,788	22,560,835
April	1,052	1,921	2,816	25,786,975
2nd Quarter	3,062	5,478	8,292	\$72,216,168
March	1,102	1,948	2,951	\$27,227,511
February	1,049	2,378	2,732	19,444,718
January	1,364	2,919	3,458	32,905,428
1st Quarter	3,515	7,245	9,141	\$79,577,657
December	1,132	2,469	2,758	\$27,200,482
November	1,237	2,073	2,195	25,353,376
October	1,206	2,273	2,362	30,581,970
4th Quarter	3,575	6,815	7,315	\$83,135,778
September	1,116	2,182	1,936	\$21,846,906
August	1,472	2,796	1,944	42,776,049
July	1,421	2,596	1,983	27,481,103
3rd Quarter	4,009	7,574	5,863	\$92,104,058
June	1,648	2,688	1,903	\$35,344,909
May	1,909	2,788	2,248	47,971,573
April	1,921	2,816	2,383	51,097,384
2nd Quarter	5,478	8,292	6,624	\$134,413,866
March	1,948	2,951	2,604	\$48,500,212
February	2,378	2,732	2,563	65,576,068
January	2,919	3,458	3,316	79,100,602
1st Quarter	7,245	9,141	8,483	\$193,176,882
December	2,469	2,758	2,525	\$64,188,643
November	2,073	2,195	2,031	53,621,127
October	2,273	2,362	2,124	52,869,974
4th Quarter	6,815	7,315	6,680	\$170,679,744
September	2,182	1,936	1,963	\$56,127,634
August	2,796	1,944	1,913	77,031,212
July	2,596	1,983	2,028	87,189,639
3rd Quarter	7,574	5,863	5,904	\$220,348,485
June	2,688	1,993	2,026	\$76,931,452
May	2,788	2,248	2,179	83,763,521
April	2,816	2,383	2,198	101,068,693
2nd Quarter	8,292	6,624	6,403	\$261,763,666
March	2,951	2,604	2,347	\$93,760,311
February	2,732	2,563	2,262	84,900,106
January	3,458	3,316	2,759	96,860,205
1st Quarter	9,141	8,483	7,368	\$275,520,622

The early returns for September clearly indicate a further improvement. For the first week of that month business defaults fell below the number of any previous record for fourteen years back; that is, to the last week of September, 1920. The number, for the week ended Thursday, September 6, was 174, comparing with 202 and 218, respectively, in the two preceding weeks; 255 in the same week of last year, and 420 two years ago.

This year, as in the two previous years, the week was shortened by the Labor Day holiday.

AUGUST BANK CLEARINGS AT LOW POINT FOR YEAR

BANK clearings in August suffered a slight set-back. The amount was below that for any other month in over a year. The decline continues very largely at New York City. Some improvement appeared at many of the outside centers. The smaller loss that has been apparent during August was mainly due to the fact that clearings at New York City declined rather sharply in that month in 1933.

Bank clearings at New York City for June, 1933, were 13.8 per cent higher than for that month in 1932. For July of that year the increase was 37.6 per cent. In the earlier months of 1933, clearings showed a decline from the figures for the same months of the preceding year. The loss was in excess of 20.0 per cent.

For the last five months of 1933 there was a small increase over the same months of 1932, but this was a reflection of the reduction in bank clearings at that time in 1932 and was not due to a larger

Bank Clearings *

	1934	1933	Per Cent
Aug.	\$675,390,000	\$722,127,000	- 6.5
July	795,762,000	919,421,000	-13.4
June	818,342,000	823,931,000	- 0.7
May	817,264,000	714,308,000	+14.4
April	908,558,000	616,945,000	+47.3
March	770,483,000	564,046,000	+36.1
Feb.	865,128,000	776,512,000	+11.4
Jan.	777,736,000	744,680,000	+ 4.4
Dec.	\$745,351,000	\$732,163,000	+ 1.8
Nov.	758,019,000	678,686,000	+11.7
Oct.	778,720,000	751,537,000	+ 3.6
Sept.	728,235,000	755,762,000	- 4.0

* Average daily clearings each month.

movement in bank settlements in those months in 1933.

In some respects clearings at Boston followed much the same course as those for New York City. At many of the other cities, if not at all of them, there has been quite an increase in practically every month this year over the figures for 1933.

To some extent New York City banks clear for the country as a whole. New York City clearings also measure in large degree financial settlements, not only in connection with such payments at

New York, but elsewhere as well. Such settlements have been enormously reduced in the past two or three years. This was particularly true in the early months of 1933. Undoubtedly, the loss in New York City clearings has been due largely to this influence. To a minor degree, clearings at Boston have suffered from the same cause.

Figures at leading centers, compared with those of last year, are printed herewith:

	Five Days Sept. 5, 1934	Five Days Sept. 6, 1933	Per Cent
000 omitted			
Boston	\$135,165	\$155,230	- 12.9
Philadelphia ..	216,000	188,000	+ 14.9
Baltimore	48,697	36,197	+ 23.5
Pittsburgh	69,140	66,695	+ 3.7
Buffalo	23,200	21,000	+ 10.5
Chicago	199,200	174,900	+ 13.9
Detroit	54,722	41,965	+ 30.4
Cleveland	47,534	42,736	+ 11.2
Cincinnati	34,904	29,700	+ 17.5
St. Louis	52,000	47,400	+ 9.7
Kansas City	67,338	46,928	+ 43.5
Omaha	24,452	17,132	+ 42.8
Minneapolis	54,572	50,615	+ 7.8
Richmond	29,421	29,456	+ 43.8
Atlanta	30,800	26,100	+ 18.0
Louisville	18,113	15,272	+ 18.6
New Orleans	19,327	14,559	+ 32.7
Dallas	29,200	23,772	+ 22.8
San Francisco ..	107,800	91,200	+ 18.2
Portland	20,040	15,180	+ 32.0
Seattle	21,511	19,787	+ 8.7
Total	\$1,298,136	\$1,144,824	+ 13.4
New York	2,217,133	2,532,398	- 12.5
Total All....	\$3,515,269	\$3,677,222	- 4.4

WEEKLY BANK CLEARINGS FOR THE MONTH OF AUGUST

	Week Aug. 1, 1934	Per Cent	Week Aug. 8, 1934	Per Cent	Week Aug. 15, 1934	Per Cent	Week Aug. 22, 1934	Per Cent	Week Aug. 29, 1934	Per Cent
Boston	\$178,515	-10.9	\$189,234	+15.7	\$162,537	-12.4	\$169,391	+ 8.6	\$146,711	- 7.0
Philadelphia	293,000	+16.3	261,000	+16.5	242,000	+ 7.1	265,000	+19.9	234,000	+12.0
Baltimore	54,899	+18.9	56,193	+26.5	50,189	+ 7.5	48,102	+15.3	40,502	+18.0
Pittsburgh	97,115	+10.6	85,439	+ 9.2	79,149	+ 5.8	82,084	+15.3	75,572	+ 4.8
Buffalo	27,300	- 3.2	26,700	+ 6.4	23,500	- 0.4	24,300	+ 9.5	21,500	+ 8.0
Chicago	213,900	-10.3	213,900	+13.4	228,400	+18.4	210,800	+ 6.0	201,100	+20.2
Detroit	75,561	+46.5	74,260	+54.7	62,088	+30.1	71,006	+40.8	64,179	+35.2
Cleveland	55,676	-19.1	54,801	- 3.4	58,835	- 5.0	59,152	+10.9	52,189	+ 0.3
Cincinnati	38,298	- 3.4	34,717	+ 6.3	37,338	- 1.1	37,540	+10.8	32,859	+ 6.7
St. Louis	68,100	+14.5	58,200	+31.1	67,000	+ 9.7	67,700	+17.3	55,500	+ 4.5
Kansas City	78,735	+10.7	73,540	+59.0	80,163	+39.7	82,358	+41.4	73,474	+44.8
Omaha	25,355	+16.9	25,932	+24.4	27,108	+30.1	26,400	+31.3	23,651	+33.8
Minneapolis	49,783	-29.0	56,796	+ 9.7	55,919	- 0.1	57,154	- 6.6	56,150	+14.9
Richmond	25,488	+13.8	26,341	+19.3	29,122	+14.0	29,885	+23.0	29,874	+14.4
Atlanta	34,800	+16.5	32,700	+19.0	35,500	+10.4	36,200	+16.4	31,300	+13.8
Louisville	20,380	+19.1	20,496	+22.2	21,694	+15.7	21,421	+21.1	18,714	+17.1
New Orleans	21,800	+ 5.0	21,069	+10.0	21,140	+ 7.1	22,472	+20.0	19,322	+22.2
Dallas	27,453	+21.0	29,150	+26.3	31,052	+28.2	34,725	+34.8	29,158	+27.5
San Francisco	95,000	+ 0.3	103,300	+29.6	108,300	+14.8	116,760	+22.3	99,800	+15.5
Portland	18,325	+ 3.0	22,775	+30.0	22,426	+21.7	23,394	+27.4	19,789	+28.0
Seattle	21,331	+ 7.4	20,706	+ 9.9	23,738	+ 7.2	25,512	+ 9.5	23,315	+39.8
Total	\$1,520,814	+ 2.9	\$1,487,249	+18.2	\$1,467,188	+ 8.9	\$1,511,356	+16.1	\$1,348,659	+13.6
New York	3,003,332	-12.0	2,591,614	- 2.1	2,774,234	-12.4	2,679,343	- 6.0	2,273,229	-16.6
Total All....	\$4,524,146	- 7.9	\$4,078,863	+ 4.5	\$4,241,422	- 5.9	\$4,190,699	+ 0.9	\$3,621,888	- 7.4

Note—Clearings reported in millions and thousands (000 omitted throughout). Percentage shows increase or decrease compared with the figures of the same week in 1933.

THE TREND OF PRICES

THE general upward movement of commodity prices which started in July was extended with considerable force during August, lifting some of the indices to the best position attained since the start of 1931, while others touched a four-year high, due to the spectacular rise in grains, livestock, pork products, and cotton.

Up 50 Per Cent Since 1933

Marking the third successive monthly advance since the upward swing began in June, the Dun & Bradstreet Monthly Commodity Price Index rose to \$9.4778 on September 1, or a gain of 1.7 per cent for the month.

	Sept. 1, 1934	Aug. 1, 1934	Sept. 1, 1933
Breadstuffs	\$0.1260	\$0.1168	\$0.1021
Livestock .....	.2580	.2220	.2048
Provisions	2.5405	2.2892	2.0100
Fruits .....	.2357	.2475	.2145
Hides and Leather ..	.6775	.8100	1.1050
Textiles	2.8076	2.7890	2.7444
Metals .....	.7660	.7748	.7074
Coal and Coke .....	.0115	.0113	.0104
Oils .....	.4998	.4886	.5067
Naval Stores .....	.1208	.1195	.1052
Building Materials ..	.1077	.1079	.1086
Chemicals & Drugs ..	.8477	.8477	.8166
Miscellaneous .....	.4795	.4973	.3561
Total	\$9.4778	\$9.3216	\$8.9918

The latest advance has brought the current index to the highest point in over three and a half years, with the total rise in the commodity price level since March 1, 1933, amounting to almost 50 per cent. The September 1 number compares with \$8.9918 on the same date of last year, or an increase of 5.4 per cent.

Dun's Index at 48 Months' Peak

A rise of \$1.276, or 0.76 per cent, in wholesale commodity prices in August carried Dun's Index Number of Wholesale Commodity Prices on September 1 to the highest point reached in exactly four years, or since September 1, 1930. Standing at \$169.188, it represents a gain of 4.2 per cent since January 1.

	Sept. 1, 1934	Aug. 1, 1934	July 1, 1934	Sept. 1, 1933
Breadstuffs ..	\$27.841	\$25.348	\$23.950	\$21.716
Meat	17.317	14.840	15.353	10.473
Dairy & Garden ..	16.303	19.440	18.736	23.621
Other Food	16.344	16.311	16.677	16.985
Clothing	26.895	27.590	27.795	29.908
Metals	23.841	23.560	23.789	21.713
Miscellaneous ..	40.647	40.823	40.856	35.849
Total	\$169.188	\$167.012	\$167.156	\$160.265

Weekly Food Index at 3-Year High

Continuing the rising trend that started in July, the Weekly Food Index advanced abruptly and uninterruptedly during August, reaching \$2.40 on September 4. This is the highest level attained since January 29, 1931, when \$2.41 was recorded. The sharp increase in food prices during August resulted in a gain of 10 per cent over the July 31 figure of \$2.18. As the index registered only \$1.91 for the corresponding week in 1933, the advance in food prices during the last twelve months amounts to 25.6 per cent.

	1934	1933	1932	1931	1930
Sept. 4	\$2.40	\$1.91	\$1.79	\$2.14	\$2.78
Aug. 28	2.39	1.91	1.77	2.14	2.78
Aug. 21	2.34	1.93	1.75	2.19	2.77
Aug. 14	2.23	1.91	1.75	2.21	2.74
Aug. 7	2.23	1.95	1.76	2.16	2.17

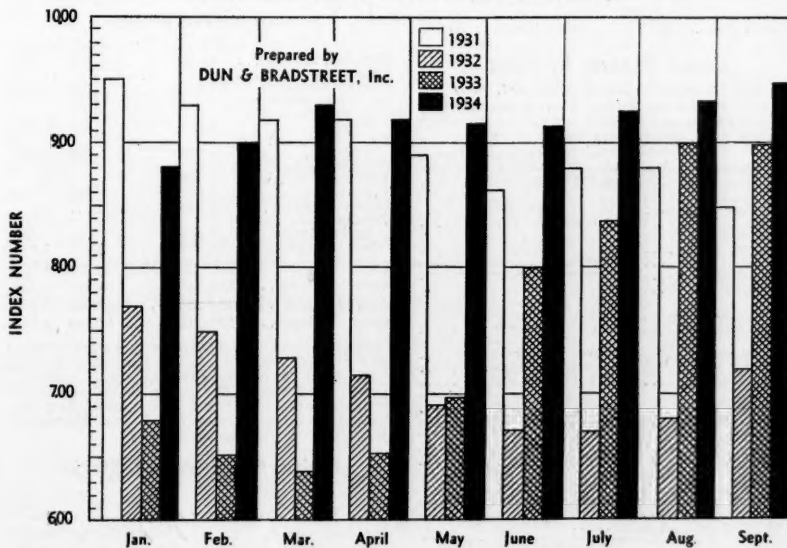
Daily Index at All-Time High

The Daily Weighted Price Index, compiled by Dun & Bradstreet, Inc., continued to make new records during August, rising to an all-time high of 120.95 on August 29 and closing the month slightly lower at 120.46. At this figure, the index shows a rise of 4.98 points, or 4.3 per cent, since August 1, when it stood at 115.48. The increase over last year's figure of 101.49 amounts to 18.7 per cent.

1934	1933
Aug. 31 120.46	Sep. 1 101.49
Aug. 30 120.50	Aug. 31 102.31
Aug. 29 120.95	Aug. 30 101.02
Aug. 28 120.02	Aug. 29 100.93
Aug. 27 120.21	Aug. 28 101.73
Aug. 25 Holiday	Aug. 26 Holiday
Aug. 24 120.21	Aug. 25 102.03
Aug. 23 120.14	Aug. 24 101.44
Aug. 22 119.90	Aug. 23 102.74
Aug. 21 120.02	Aug. 22 102.11
Aug. 20 119.31	Aug. 21 101.54
Aug. 18 Holiday	Aug. 19 Holiday
Aug. 17 118.32	Aug. 18 100.97
Aug. 16 118.74	Aug. 17 100.41
Aug. 15 118.14	Aug. 16 98.69
Aug. 14 118.52	Aug. 15 100.40
Aug. 13 118.12	Aug. 14 100.30
Aug. 11 Holiday	Aug. 12 Holiday
Aug. 10 120.02	Aug. 11 104.05
Aug. 9 119.85	Aug. 10 105.65
Aug. 8 119.19	Aug. 9 104.88
Aug. 7 118.11	Aug. 8 103.80
Aug. 6 117.07	Aug. 7 103.58
Aug. 4 Holiday	Aug. 5 Holiday
Aug. 3 115.92	Aug. 4 104.44
Aug. 2 115.86	Aug. 3 105.18
Aug. 1 115.48	Aug. 2 105.17

	High	Low
1934 ..	120.95 Aug. 29	101.05 Jan. 3
1933 ..	113.52 July 18	67.86 Jan. 20
1932 ..	84.41 Jan. 7	69.55 Dec. 24

DUN & BRADSTREET INDEX NUMBER



Marking the third successive monthly advance since the upward swing began in June, the index for September 1 stood at \$9.4778. This is a net gain of 3.7 per cent since June 1 and of 7.3 per cent since January 1. The total rise in the commodity price level since March, 1933, amounts to almost 50 per cent.

STATISTICAL RECORD OF

VISIBLE GRAIN SUPPLIES

Returns to DUN & BRADSTREET, INC., of available wheat stocks held on September 1, 1934, in the United States and Canada, leading ports of the United Kingdom and Europe, and the supply on passage for the United Kingdom also the stocks of corn and oats held in the United States and Canada, with comparisons, are as follows, figures being in bushels:

Wheat	Sept. 1, 1934	Changes from Last Week	Sept. 2, 1934
United States, east of Rocky Mountains.....	121,727,000	+ 686,000	149,732,000
United States, west of Rocky Mountains.....	7,411,000	+ 1,172,000	8,528,000
Canada.....	188,710,000	+ 3,375,000	191,545,000
Total, United States and Canada.....	312,848,000	+ 3,861,000	349,605,000
United Kingdom and Afloat (Broomhall).....	50,900,000	+ 1,000,000	44,600,000
Total, American, United Kingdom and Afloat.....	363,748,000	+ 2,861,000	394,205,000
Continent {Marseilles Rotterdam & Amsterdam} (Broomhall).....	3,800,000	- 300,000	5,300,000
Total, American and European Supply.....	367,548,000	+ 2,561,000	399,505,000
Corn—United States and Canada.....	60,451,000	+ 2,099,000	57,747,000
Oats—United States and Canada.....	34,321,000	+ 21,000	57,536,000

The combined aggregate wheat visible supply statistics, in bushels, follow. (Last three 000 omitted):

Week ending 1934	U. S. east of Rockies	U. S. Pacific Coast	Total U. S.	Canada	Total U. S. and Canada	U. K. Afloat	Total American, U. K. and Afloat	Continent Europe	Total America and Europe
June 2.....	77,631	4,959	82,590	196,869	279,459	45,100	324,559	6,100	330,659
June 9.....	75,193	4,790	79,983	197,562	277,545	42,000	319,545	6,000	325,545
June 16.....	74,578	4,750	79,328	192,791	272,119	44,300	316,419	5,300	321,719
June 23.....	75,614	4,836	80,450	193,726	274,176	45,900	320,076	4,600	324,676
June 30.....	79,395	5,103	84,498	190,717	275,215	47,200	322,415	4,400	326,815
July 7.....	87,676	5,095	92,771	189,370	282,141	46,000	328,741	4,600	333,341
July 14.....	95,154	5,107	100,261	189,099	292,360	47,500	339,860	4,700	344,560
July 21.....	107,548	5,054	112,602	184,977	297,579	47,100	344,679	4,500	349,179
July 28.....	113,889	4,764	118,653	184,282	302,935	48,800	351,735	4,200	355,935
Aug. 4.....	117,973	4,791	122,764	185,120	307,884	48,300	356,184	4,000	360,184
Aug. 11.....	119,012	4,646	123,658	183,299	306,957	50,200	357,157	4,100	361,257
Aug. 18.....	122,005	5,347	127,352	180,823	308,175	52,500	360,675	3,800	364,475
Aug. 25.....	122,413	6,239	128,652	180,335	308,987	51,900	360,887	4,100	364,987
Sept. 1.....	121,727	7,411	129,138	183,710	312,848	50,900	363,748	3,800	367,548

Wheat and Flour Exports

(By telegraph to Dun & Bradstreet, Inc.)

The quantity of wheat (including flour as wheat) exported from leading United States and Canadian ports for the week and season compare as follows, in bushels:

Week ending 1934	1934	1933	1932
May 5.....	4,037,897	5,397,016	7,490,477
May 12.....	3,934,310	3,569,009	7,390,627
May 19.....	6,214,939	6,804,093	9,009,973
May 26.....	3,188,825	5,314,356	6,030,294
June 2.....	3,319,231	4,338,194	7,771,365
June 9.....	2,539,031	5,625,520	7,171,871
June 16.....	3,611,730	5,915,579	6,872,983
June 23.....	4,088,852	3,166,156	7,720,968
June 30.....	3,917,913	3,893,712	7,182,387
July 7.....	2,121,280	2,871,139	5,147,111
July 14.....	3,312,925	3,738,840	4,744,577
July 21.....	3,346,957	2,575,448	4,816,408
July 28.....	3,100,955	2,619,189	5,277,912
Aug. 4.....	3,161,307	3,741,702	3,148,248
Aug. 11.....	2,981,280	2,866,822	5,478,353
Aug. 18.....	3,864,462	3,793,514	3,709,819
Aug. 25.....	3,571,308	3,576,161	4,833,471
Sept. 1.....	4,728,198	4,665,866	7,248,215

July 1 to date 31,288,672 30,448,691 44,404,114

Corn Exports

(By telegraph to Dun & Bradstreet, Inc.)

Corn exports in bushels from leading United States and Canadian ports compare as follows:

Week ending 1934	1934	1933	1932
May 5.....	5,000	6,000	54,704
May 12.....	53,000	4,000	2,834
May 19.....	3,000	8,000	17,000
May 26.....	1,000	1,000	8,624
June 2.....	2,000	1,000	23,540
June 9.....	1,000	5,000	9,991
June 16.....	2,000	.....	4,650
June 23.....	2,000	7,000	68,690
June 30.....	.....	7,000	1,000
July 7.....	.....	7,000	33,000
July 14.....	.....	7,000	44,000
July 21.....	.....	4,000	39,000
July 28.....	.....	7,000	39,000
Aug. 4.....	1,000	.....	44,000
Aug. 11.....	.....	1,000	44,000
Aug. 18.....	.....	.....	151,518
Aug. 25.....	.....	.....	21,866
Sept. 1.....	.....	1,000	.....

July 1 to date.... 1,000 20,000 416,384

Grain Movement

Receipts of flour and grain at twelve Western lake and river points for the week and season compare as follows (000 omitted):

	Flour, bbls.	Wheat, bus.	Corn, bus.	Oats, bus.
Sept. 1, 1934.....	353	7,708	7,152	1,149
Aug. 25, 1934.....	337	7,208	12,700	1,843
Aug. 18, 1934.....	338	8,602	10,079	1,940
Aug. 11, 1934.....	309	8,146	11,263	2,389
Sept. 2, 1933.....	248	9,191	3,850	2,435

Season, July 1, 1934, to Sept. 1, 1934—

Flour, bbls.....	2,026	Corn, bus.....	81,169
Wheat, bus.....	101,651	Oats, bus.....	13,992

Season, July 1, 1933, to Sept. 2, 1933—

Flour, bbls.....	2,896	Corn, bus.....	61,070
Wheat, bus.....	86,500	Oats, bus.....	36,383

Cereal Exports by Ports

(By telegraph to Dun & Bradstreet, Inc.)

Exports of cereals from leading ports in the United States and Canada for the week ending September 1, 1934, were as follows:

From	Flour, barrels	Wheat, bushels	Corn, bushels
New York.....	8,111	1,385,000	.....
Philadelphia.....	.....	.....	.....
Baltimore.....	.....	104,000	.....
Boston.....	1,000	.....	.....
Newport News.....	.....	.....	.....
Portland, Me.....	.....	.....	.....
Norfolk.....	1,000	.....	.....
New Orleans.....	2,000	4,000	.....
Galveston.....	.....	.....	.....

Total, Atlantic.....	12,111	1,493,000	.....
Previous week.....	16,610	664,000	.....

San Francisco.....	2,900	16,000	.....
Portland, Ore.....	15,093	37,333	.....
Puget Sound.....	18,411	166,268	.....

Total, Pacific.....	36,394	219,601	.....
Previous week.....	58,821	288,587	.....

Total, U. S.....	48,505	1,712,601	.....
Previous week.....	75,431	952,587	.....

Montreal.....	44,000	1,189,000	.....
Churchill.....	20,000	976,000	.....
Halifax.....	1,000	.....	.....
Vancouver.....	.....	339,824	.....

Total, Canada.....	65,000	2,504,824	.....
Previous week.....	140,311	1,647,882	.....

Grand total.....	113,505	4,217,425	.....
Previous week.....	215,742	2,600,469	.....

U. S. Grain East of Rocky Mountains

Stocks of grain available in the United States, September 1, 1934, in bushels, were as follows, with comparisons:

(Last three 000 omitted)

United States	Wheat	Corn	Oats	Barley
Minneapolis.....	16,150	6,872	10,912	5,956
Duluth.....	11,174	3,343	4,834	767
Sioux City, Iowa.....	329	958	119	10
Millwaukee.....	415	2,717	473	437
Omaha and Council Bluffs.....	9,397	9,643	934	1
Hutchinson.....	4,920	.....	.....	.....
Lincoln, Neb.....	465	80	.....	.....
Wichita.....	1,774	.....	.....	.....
Kansas City.....	31,480	3,310	231	4
St. Joseph.....	2,330	3,005	255	2
Chicago.....	8,378	15,650	2,599	1,217
Afloat.....	.....	307	.....	.....
Mantowoc.....	.....	1,180	80	.....
Peoria.....	25	378	67	.....
Kankakee.....	.....	130	.....	.....
Indianapolis.....	2,347	887	360	.....
St. Louis.....	8,053	845	267	22
Louisville.....	1,743	108	1	.....
Chattanooga.....	220	36	.....	.....
Nashville.....	1,160	102	501	.....
New Orleans.....	45	458	34	.....
Houston.....	650	9	14	.....
Galveston.....	746	.....	.....	.....
Port Worth, Tex.....	6,332	105	818	49
Dallas, Tex.....	741	159	.....	.....
On Lakes.....	190	159	.....	.....
On Canal.....	.....	224	60	.....
Detroit.....	178	9	10	105
Erie, Pa.....	31	525	.....	.....
Cleveland.....	75	.....	.....	.....
Mansfield.....	670	200	160	.....
Dayton.....	5	4	7	3
Cincinnati.....	966	36	89	.....
Buffalo.....	6,576	8,440	1,539	278
Afloat.....	407	373	.....	100
Boston.....	26	.....	3	.....
Providence, R. I.....	4	21	10	2
New York.....	41	121	129	34
Afloat.....	.....	.....	.....	.....
Philadelphia.....	960	117	77	16
Baltimore.....	2,340	64	18	3
Newport News.....	368	21	.....	.....
Norfolk.....	16	14	4	.....

Sept. 1, 1934.....	121,727	60,451	24,605	9,006
Aug. 25, 1934.....	122,413	58,352	24,097	8,136
Sept. 2, 1933.....	149,732	57,747	44,746	14,069

Canadian Grain Stocks

The available grain stocks in Canada September 1, 1934, follow, with comparisons:

(Last three 000 omitted)

	Wheat	Corn	Oats	Barley
Montreal.....	4,089	.....	1,017	897
Churchill.....	896	.....	.....	.....
Country Elevators.....	66,586	.....	3,763	2,037
Int. Term. Elevators.....	1,851	.....	80	2
Int. Private & Mfg. Elevators.....	6,229	.....	1,081	1,280
Pt. William and Pt. Arthur.....	54,789	.....	1,528	2,533
Canadian Afloat.....	.....	.....	.....	.....
Victoria.....	929	.....	.....	.....
Vancouver.....	8,857	.....	630	115
Prince Rupert.....	1,094	.....	.....	.....
Bonded grain in the United States.....	9,498	.....	.....	259
Other Canadian.....	28,892	.....	1,617	1,817

Sept. 1, 1934.....	183,710	.....	9,716	8,949
Aug. 25, 1934.....	180,335	.....	10,203	8,420
Sept. 2, 1933.....	191,545	.....	12,790	8,880

The Montreal, Fort William and Port Arthur and bonded grain totals are furnished by the New York Produce Exchange and Chicago Board of Trade. The other Canadian totals are telegraphed to DUN & BRADSTREET, INC., by the Agricultural Branch of the Dominion Bureau of Statistics of Ottawa.

Pacific Coast Wheat Stocks

	Sept. 1, 1934	Aug. 25, 1934
Portland, Ore.....	4,038,000	3,247,000
Tacoma, Wash.....	1,680,000	1,329,000
Seattle, Wash.....	1,693,000	1,663,000
Total.....	7,411,000	6,239,000

COMMERCE AND FINANCE

FINANCIAL STATISTICS

	August, 1934	August, 1933	Ch'ge P. Ct.	July, 1934	Ch'ge P. Ct.
Bank clearings, N. Y. City (\$)	11,634,798	13,416,767	13.3	13,048,393	10.8
Bank debits, N. Y. City (\$)	12,284,744	13,075,945	6.0	13,841,956	11.2
Bank debits, U. S. (\$)	25,705,820	25,451,492	1.0	27,751,905	7.4
Bond sales, Munic. (\$)	48,293,202	110,885,276	56.4	96,653,929	50.0
Bond sales, N. Y. Curb Exchange (\$)	60,565,000	65,138,000	7.0	74,054,000	18.2
Bond sales, N. Y. Stock Exchange (\$)	316,504,600	216,100,700	46.5	264,604,200	19.6
Corporate issues † (\$)	28,054,000	505,000	—	236,429,750	88.1
Failures, number †	929	1,472	36.9	912	0.8
Stock sales, N. Y. Curb Exchange (shares)	3,243,596	6,411,696	49.4	4,136,739	21.6
Stock sales, N. Y. Stock Exchange (shares)	16,603,492	42,466,352	60.7	21,115,884	20.9
Automobile financing, retail (\$)	95,484,543	65,152,510	46.6	99,113,597	3.7
Auto. financing, whole-sale (\$)	90,294,039	57,866,453	56.0	102,706,220	12.1
Fire losses (\$)	19,484,027	20,004,049	2.6	20,005,692	2.6
Foreign Trade, U. S. Mds. Exports (\$)	159,242,000	141,573,000	12.5	167,954,000	5.2
Foreign Trade, U. S. Mds. Imports (\$)	124,123,000	141,018,000	12.0	135,120,000	8.1
Life insurance, sales (\$)	694,259,000	666,095,000	4.2	762,490,000	8.9
Ry. earnings, gross (\$)	275,983,518	293,723,872	6.0	282,779,492	2.4
Ry. earnings net oper. income (\$)	35,220,889	64,752,602	45.6	41,836,301	15.8

* Three cyphers omitted. † Dun & Bradstreet, Inc. ‡ Journal of Commerce.

PRODUCTION

	August, 1934	August, 1933	Ch'ge P. Ct.	July, 1934	Ch'ge P. Ct.
Building† (215 cities) (\$)	34,452,738	32,391,868	6.4	33,899,650	1.6
Coal, anthracite (tons)	3,618,000	4,396,000	17.7	3,443,000	5.1
Coal, bituminous (tons)	27,490,000	33,910,000	18.9	25,280,000	8.7
Flour (bbls.)	6,402,781	4,534,059	19.1	4,760,259	13.5
Pig iron (tons)	1,054,382	1,833,394	42.5	1,224,826	13.9
Steel ingot (tons)	1,863,359	2,863,569	52.4	1,473,584	7.4
Zinc (tons)	26,269	33,510	21.6	24,843	5.7
Automobile (cars and trucks)	266,575	229,357	16.2	308,065	13.5
Boots and shoes (pairs) ‡	27,783,201	34,861,123	20.3	33,873,596	18.0
Habbit metal (lbs.)	1,939,895	2,484,992	21.9	2,261,692	14.2
Boxboard (tons)	201,924	293,272	28.7	224,214	9.9
Cement (bbls.)	8,134,000	8,609,000	5.5	8,786,000	7.4
Coke (tons)	2,425,459	2,865,716	15.4	3,040,575	20.2
Const. contracts awarded (37 States) † (\$)	119,698,800	82,554,400	45.0	127,116,200	5.8
Cotton mill spin. hours ‡	5,151,979	8,127,978	36.6	5,253,454	1.9
Electricity, k. w. h. ‡	7,567,000	7,470,000	1.3	7,491,000	1.0
Gasoline (bbls.)	37,023,000	36,576,000	1.2	34,850,000	6.2
Glass, pl. pol. (sq. ft.)	7,241,867	11,350,393	36.2	6,520,081	11.1
Gold (bars) (ozs.)	876,094	923,671	5.2	868,129	0.9
Lead, refined (tons)	31,881	23,469	35.8	33,218	4.0
Malleable castings (tons)	23,388	30,865	24.2	28,340	17.5
Newsprint, U. S. & Canada (tons)	284,422	259,869	9.4	313,141	9.2
Petroleum, crude (bbls.)	81,548,000	84,387,000	3.4	80,040,000	1.9
Pneumatic casings (\$)	4,342,170	6,099,924	28.8	4,456,223	2.6
Range boilers (no.)	33,255	54,427	38.9	34,741	4.3
Steel barrels	598,745	623,056	3.9	701,826	14.7
Steel castings, commercial (tons)	46,131	31,718	45.4	50,268	8.2
Steel sheets (short tons)	85,286	188,143	54.7	199,438	57.2
Sulph. acid (tons)	88,049	98,587	10.7	92,894	5.2
Tobacco and products	11,355,399	9,526,101	19.2	12,045,063	5.7
Cigarettes, small ‡	378,055,584	400,511,453	5.6	404,455,760	6.5
Cigars, large ‡	28,691,002	28,782,407	0.3	29,419,516	2.5

* Three cyphers omitted. † Dun & Bradstreet, Inc. ‡ F. W. Dodge Corp.
‡ June and corresponding months.

SHIPMENTS AND CONSUMPTION (Continued)

	July, 1934	July, 1933	Ch'ge P. Ct.	June, 1934	Ch'ge P. Ct.
Newsprint, U. S. & Canada (tons)	270,059	263,726	2.4	305,170	11.5
Paints & var., sales (\$)	23,484,080	22,090,187	6.3	28,794,352	18.4
Petroleum, crude, runs-to-stills (bbls.)	79,812,000	79,525,000	0.4	76,054,000	4.9
Pneumatic casings (\$)	5,228,251	6,305,454	17.1	5,331,899	1.9
Oil-burners (no.)	6,399	8,778	27.1	5,536	15.6
Prep. roofing (squares)	1,616,926	2,713,839	40.4	1,265,013	27.8
Range boilers (no.)	33,746	50,394	33.0	33,180	1.7
Rubber, cr. cons. (tons)	32,647	49,614	34.2	40,241	18.9
Steel barrels	608,644	621,042	2.0	696,349	12.6
Steel sheets, ship. (short tons)	85,442	174,145	50.9	301,832	71.7
Sulph. acid, cons. (tons)	83,079	71,951	15.5	80,214	3.6
Waste paper (consump.) (tons)	221,937	204,640	8.5	205,418	8.0
Wool consump. (lbs.)	25,935,756	57,377,217	54.8	26,213,190	1.1

‡ June and corresponding months.

STOCKS ON HAND AT END OF MONTH

	August, 1934	August, 1933	Ch'ge P. Ct.	July, 1934	Ch'ge P. Ct.
Silk, raw (bales)	58,694	55,515	5.7	66,268	11.4
Tin, world's visible supply (long tons)	15,494	33,534	53.8	16,313	5.0
Zinc (tons)	102,192	99,264	2.9	97,382	4.7
Bathroom access. (pcs.)					
Vitreous clay	307,833	302,993	1.6	308,191	0.1
Non-vitreous clay	75,328	81,075	7.1	75,366	0.1
Boxboard (tons)	71,078	66,371	7.1	70,659	0.6
Cement (bbls.)	21,842,000	10,848,000	10.0	21,600,000	1.2
Coal, anth. and bit. ind. stocks (tons)	29,338,000	22,184,000	32.2	28,344,000	3.5
Coke, by-product (tons)	2,311,650	2,951,206	21.7	2,047,142	12.9
Cotton, ex. lint. (bales)	1,230,369	1,348,236	8.7	1,326,480	7.2
In mfg. plants	5,565,140	5,736,398	3.0	5,985,715	7.0
In warehouses	33,135,000	30,142,000	9.9	33,855,000	2.2
Gasoline at ref. (bbls.)	240,595	171,275	40.5	238,181	1.0
Lead, refined (tons)					
Newsprint, U. S. & Canada (tons)	85,273	78,064	9.2	70,862	20.3
Oil-burners (no.)	18,724	10,338	81.1	17,823	5.1
Petroleum, crude, excl. Calif. (bbls.)	312,673,000	314,267,000	0.5	315,051,000	0.8
Porcelain plumbing fixtures (pieces)	10,762	10,635	1.2	10,981	2.0
Pneumatic casings (\$)	10,219,380	6,614,940	54.5	11,216,567	8.1
Range boilers (no.)	33,869	35,668	5.0	34,902	3.0
Rubber, U. S. & Adolat (long tons)	410,752	384,044	7.0	404,847	1.5
Steel barrels	34,773	30,979	12.2	44,672	22.2
Steel sheets (sh. tons)	110,400	104,815	5.3	106,950	3.2
Sulphuric acid (tons)	94,466	86,403	9.3	92,721	1.9
Waste paper (tons)	258,188	101,343	154.8	235,797	9.5

‡ June and corresponding months.

GOVERNMENT STATISTICS

	July 31, 1934	July 31, 1933	June 30, 1934
Money in circul., U. S. (\$)	5,317,175,302	5,629,852,526	5,373,469,752
Population	126,637,000	125,766,000	126,564,000
Per capita (\$)	41.99	44.76	42.46
Gen. stock money, U. S. (\$)	13,705,798,883	10,014,268,674	13,634,380,567
Debt, gross, U. S. (\$)	27,079,860,564	23,098,514,910	27,189,245,813
United States:			
Receipts, ordinary (\$)	286,266,218	187,788,487	218,188,802
Expenditures, ord. (\$)	309,582,844	138,650,776	230,394,992
Expenditures, emerg. (\$)	513,699,697	309,716,805	235,878,916

MONTHLY INDEX NUMBERS

Price Index Numbers (Wholesale)

	Base Sept. 1, Year 1934	Aug. 1, 1933	July 1, 1933	Same month 1933
DUN'S	\$169.188	\$167.912	\$167.156	\$160.265
BRADSTREET'S	\$9.4778	\$9.3216	\$9.2351	\$8.9018
U. S. Bureau of Labor ‡	1926	74.8	74.6	68.9
Annalist ‡	1913 117.7	114.4	114.3	102.7
Canada (Dom. Bureau) ‡	1926	72.0	72.1	70.5
	July, 1934	June, 1934	May, 1934	Same month 1933
U. K. (Board of Trade)	1913 103.4	103.6	102.4	102.3
U. K. (Economist)	1913 91.0	89.9	90.0	89.9
U. K. (Statist)	1913 96.9	94.9	95.4	96.1
France (Stat. Gen.)	1913 374	379	381	401
Italy (Bachi)	1913	272	273	281
Germany (Official)	1913 98.8	97.2	96.2	93.9
Belgium	1914 471	472	470	506
Denmark (Official)	1913 120	128	128	126
Norway	1913 124	123	123	121
Sweden	1913	114	113	106
Holland	1913 77	76	77	73
Japan (Oriental Economist)	1913 164.1	162.7	162.6	159.6
China (Shanghai)	1926 97.1	95.7	94.9	103.4

‡ Average over previous month.

SHIPMENTS AND CONSUMPTION

	August, 1934	August, 1933	Ch'ge P. Ct.	July, 1934	Ch'ge P. Ct.
Silk consumption (bales)	36,247	42,852	15.4	32,021	13.2
Steel shipments (tons)	378,023	668,155	43.4	369,938	2.7
Tin, deliveries U. S. (long tons)	4,045	8,020	49.6	3,575	13.1
Zinc, shipments (tons)	21,659	42,403	48.9	26,950	19.6
Anthracite, ship. (tons)	2,973,978	3,238,908	8.2	3,495,223	14.9
Babbitt met., sales (lbs.)	1,387,831	1,941,080	28.5	1,618,615	14.3
Carloading (cars)	2,553,100	2,682,600	4.8	2,710,100	5.8
Boxboard, ship. (tons)	179,264	246,994	27.4	190,896	6.1
Cement, ship. (bbls.)	7,893,000	8,697,000	9.2	8,539,000	7.6
Coal, anth. and bit. ind. cons. (tons)	21,895,000	20,129,000	8.8	23,195,000	5.6
Cotton cons. (bales)	359,372	600,641	40.2	363,414	1.1
Gasoline cons. (bbls.)	37,695,000	34,458,000	9.4	36,296,000	3.9
Lead, refined (tons)	29,479	45,137	34.7	28,276	4.3
Malleable castings (tons)	27,591	29,155	5.4	31,607	12.7

AUGUST BUILDING PERMIT VALUES BY CITIES

THE detailed report of building expenditures for August this year and last, and for July, 1934, as reported to Dun & Bradstreet, Inc., follows:

	Aug., 1934	Aug., 1933	July, 1934
New England			
Boston	\$698,251	\$682,292	\$2,068,674
Bridgeport	36,178	75,245	39,980
Brockton	20,065	50,995	30,120
Burlington, Vt.	102,159	21,830	28,775
Cambridge	41,931	56,115	199,458
Chelsea	14,660	39,270	13,700
Everett	8,950	117,627	60,750
Fall River	10,046	9,220	6,054
Fitchburg	14,960	5,566	157,020
Greenwich	57,000	54,295	78,925
Hartford	152,992	137,006	140,669
Haverhill	20,665	15,188	8,655
Holyoke	5,200	36,100	34,150
Lawrence	34,950	21,500	13,615
Lowell	21,545	78,135	29,650
Lynn	37,598	41,695	24,733
Manchester	58,435	30,639	27,183
Medford	19,325	70,180	17,355
New Bedford	84,175	16,725	37,650
New Britain	113,459	31,308	18,663
New Haven	78,599	118,958	1,450,847
Newton	637,478	180,958	144,575
Norwalk	26,645	52,152	32,375
Portland, Me.	45,160	41,090	11,373
Providence	207,350	203,000	213,600
Quincy, Mass.	31,875	47,782	31,632
Salem	66,345	67,220	38,450
Somerville	26,820	32,900	5,925
Springfield, Mass.	41,380	71,175	84,151
Stamford	112,603	35,012	30,405
Waterbury	46,650	28,950	33,175
West Hartford	119,014	113,485	105,172
Worcester	108,102	408,465	109,678
Total	\$3,099,565	\$2,997,745	\$5,327,137

Middle Atlantic			
Manhattan 1.....	\$3,881,100	\$89,200	\$397,875
Manhattan 2.....	1,315,775	1,050,532	2,199,680
Bronx 1.....	366,900	388,650	1,575,050
Bronx 2.....	363,684	393,370	340,620
Brooklyn 1.....	971,100	466,365	1,021,510
Brooklyn 2.....	1,307,582	1,692,798	838,091
Queens 1.....	935,843	619,762	896,905
Queens 2.....	681,324	373,341	470,891
Richmond 1.....	62,526	134,766	84,798
Richmond 2.....	132,050	50,746	83,465
Total N. Y. C.	\$9,917,284	\$5,249,530	\$7,908,885

(1) New work. (2) Alterations.

Albany	\$155,812	\$124,943	\$206,534
Allentown	49,500	58,760	21,870
Altoona	14,588	18,642	16,154
Atlantic City	66,624	23,495	93,776
Auburn	15,700	13,650	25,900
Bayonne	28,278	15,797	28,687
Binghamton	54,239	64,713	66,345
Buffalo	142,639	234,138	706,660
Camden	12,040	10,422	66,460
East Orange	38,570	13,995	52,700
Elizabeth	18,420	49,400	13,544
Elmira	51,730	6,673	12,470
Erie	33,750	68,403	10,800
Harrisburg	14,640	15,160	7,550
Jamestown	725,722	9,223	11,050
Jersey City	33,804	122,661	90,011
Lancaster	20,913	6,700	59,910
Mount Vernon	57,106	31,910	56,685
Newark, N. J.	175,449	264,309	840,952

Mid Atlantic (Cont.)			
New Brunswick	7,230	9,635	7,605
New Rochelle	53,583	63,902	84,178
Niagara Falls	75,841	46,353	122,105
Philadelphia	769,550	723,695	656,160
Pittsburgh	202,793	256,161	174,760
Poughkeepsie	12,620	560	54,325
Reading	23,230	16,990	29,920
Rochester	75,458	125,438	112,887
Schenectady	68,183	27,850	104,803
Scranton	50,692	33,070	85,306
Syracuse	123,535	45,150	252,795
Troy	29,620	52,580	12,225
Utica	20,830	80,095	21,150
Watertown	31,654	10,007	10,249
White Plains	84,920	42,100	20,305
Wilkes-Barre	22,698	80,423	40,452
Williamsport	80,958	26,070	12,851
Wilmington	76,382	49,124	131,280
Yonkers	96,835	177,800	71,360
York	20,230	41,999	25,633
Total	\$13,553,650	\$8,311,526	\$12,327,292

South Atlantic			
Asheville	\$16,650	\$13,688	\$18,603
Atlanta	138,313	85,046	104,987
Augusta	30,174	22,190	34,040
Baltimore	628,560	555,720	678,120
Charleston, S.C.	63,033	14,281	48,907
Charlotte	20,620	34,629	55,538
Coral Gables	21,800	31,675	22,145
Greensboro	42,008	12,268	31,497
Greenville	41,300	11,825	15,275
Jacksonville, Fla.	171,000	220,395	155,625
Lynchburg	25,785	26,110	7,535
Macon	28,297	26,788	48,288
Miami	295,508	252,493	210,133
Miami Beach	528,760	124,375	451,050
Norfolk	129,007	74,671	51,492
Richmond	110,259	88,887	140,185
Roanoke	8,668	41,827	7,737
Savannah	36,720	35,389	18,835
Tampa	49,545	32,493	49,886
Washington, D.C.	1,372,310	439,935	875,390
Winston-Salem	32,400	24,185	24,815
Total	\$3,790,717	\$2,168,877	\$3,079,583

East Central			
Akron	\$111,110	\$94,160	\$79,442
Bay City	31,815	19,099	21,920
Berwyn	7,100	2,500	2,800
Bluefield	4,494	1,065	8,165
Canton	20,165	11,669	50,440
Chicago	420,910	593,590	1,385,965
Cincinnati	523,450	597,960	352,040
Clarksburg	28,097	19,675	1,225
Cleveland	393,075	235,700	307,100
Columbus	147,800	59,900	74,400
Dayton	37,848	78,451	48,917
Detroit	803,301	401,284	829,086
East St. Louis	15,682	28,120	44,665
Evansville	41,300	23,750	21,750
Evansville	70,243	42,408	70,842
Flint	47,737	44,649	50,072
Fort Wayne	52,141	27,000	31,130
Gary	13,300	11,330	14,195
Grand Rapids	22,945	89,190	35,150
Green Bay	27,502	65,925	21,245
Hammond	33,985	8,408	14,308
Huntington	11,580	5,245	6,780
Indianapolis	1,200,720	190,455	214,213
Lansing	26,480	8,376	28,880
Lima	2,549	2,290	12,450
Louisville	248,900	346,150	246,378
Madison	93,515	18,840	28,888
Milwaukee	284,189	221,815	496,112
Newark, O.	5,300	3,000	1,195
Oak Park	15,720	12,760	5,350
Peoria	43,690	115,045	26,880
Pontiac	17,637	4,970	11,730
Quincy, Ill.	2,289	13,905	1,060
Racine	25,402	4,916	24,175
Rockford	24,090	21,485	16,850
Saginaw	63,971	47,401	14,264
South Bend	14,300	50,980	24,025
Springfield, Ill.	75,965	16,937	38,710
Springfield, O.	10,392	4,145	25,903
Superior	9,984	25,590	4,930
Terre Haute	55,246	8,684	87,739
Toledo	378,875	71,542	261,392
Waukegan	11,513	8,460	1,790
Wheeling	40,594	70,003	11,775
Youngstown	27,021	88,551	46,461
Zanesville	2,880	10,000	2,550
Total	\$5,498,902	\$3,830,298	\$5,111,437

South Central			
Abilene	\$1,100	\$8,585	\$8,275
Amarillo	16,842	22,714	22,324
Austin	194,500	95,145	94,427
Beaumont	74,748	12,114	39,254
Birmingham	51,270	41,653	74,272
Chattanooga	48,537	34,862	42,516
Dallas	195,677	180,983	155,394
El Paso	35,001	22,295	13,035
Fort Smith	34,218	23,651	9,653
Fort Worth	101,430	105,351	56,308
Galveston	27,432	29,636	37,210
Houston	368,350	2,252,762	259,395
Jackson	20,688	24,777	44,832
Knoxville	104,100	57,783	60,116
Little Rock	21,794	20,336	21,728
Memphis	127,400	119,340	83,720
Mobile	44,000	32,268	43,786
Montgomery	50,379	39,229	47,092
Muskogee	2,238	3,240	1,010
Nashville	81,516	1,015,147	197,396
New Orleans	80,274	196,469	228,516
Oklahoma City	52,345	100,180	228,806
Port Arthur	10,023	15,247	15,948
San Angelo	2,129	9,225	3,546
San Antonio	69,091	92,880	53,358
Shreveport	139,545	97,575	130,607
Tulsa	62,600	59,100	46,167
Waco	28,632	24,392	14,939
Wichita Falls	90,812	19,503	29,321
Total	\$2,131,022	\$4,755,942	\$2,062,951

West Central			
Cedar Rapids	\$36,965	\$21,166	\$47,685
Davenport	26,136	28,164	21,000
Des Moines	284,845	66,956	106,130
Dubuque	16,022	100,115	8,120
Duluth	40,840	55,302	68,918
Fargo	22,200	11,090	12,675
Kansas City, Kan.	10,145	7,000	63,625
Kansas City, Mo.	190,000	129,900	285,500
Lincoln	28,683	48,366	123,347
Minneapolis	235,190	321,210	138,920
Omaha	60,734	93,545	65,479
St. Joseph	24,805	13,660	6,680
St. Louis	431,653	3,607,468	286,534
St. Paul	393,969	506,162	220,368
Sioux City	40,150	23,775	143,314
Sioux Falls	12,305	9,890	7,535
Topeka	35,330	48,930	20,350
Wichita	50,128	14,680	67,765
Total	\$1,940,098	\$5,251,379	\$1,603,936

Mountain			
Billings	\$12,400	\$9,960	\$86,775
Boise	19,550	19,780	22,575
Butte	10,150	8,030	1,079
Colorado Springs	10,325	13,800	415,479
Denver	237,485	206,485	230,000
Great Falls	14,800	33,420	9,860
Ogden	3,700	11,614	6,681
Phoenix	11,017	18,780	37,270
Pueblo	12,252	3,870	49,231
Salt Lake City	49,176	152,270	42,000
Tucson	42,631	29,804	101,568
Total	\$411,086	\$497,853	\$915,738

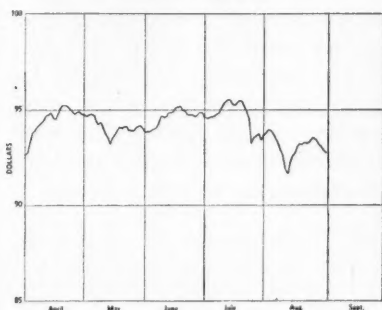
Pacific			
Bakersfield	\$26,485	\$10,598	\$27,135
Berkeley	72,271	105,391	64,771
Beverly Hills	133,269	153,030	208,155
Fresno	30,118	49,005	86,257
Glendale	72,391	102,225	37,535
Long Beach	133,099	577,755	188,533
Los Angeles	905,239	1,564,166	1,310,398
Oakland	176,981	221,110	203,562
Pasadena	102,857	131,539	173,550
Portland, Ore.	162,636	239,130	139,080
Sacramento	503,900	104,391	163,513
San Diego	86,530	247,396	177,003
San Francisco	609,991	544,224	288,028
San Jose	95,865	59,795	21,525
Seattle	147,025	336,695	113,850
Spokane	37,454	53,028	25,795
Stockton	661,520	20,970	109,919
Tacoma	50,067	37,800	48,367
Total	\$4,027,698	\$4,578,248	\$3,381,57

SMALLEST AUGUST STOCK TRADING SINCE 1923

by GEORGE RAMBLES

WITH universal uncertainty prevalent regarding business and political developments, trading in stocks on the New York securities markets dwindled during August to the lowest totals in more than a decade. Price movements likewise were minute, but a small net gain in the average quotations of leading equities was reflected in the prominent average compilations. Noteworthy is the fact that more attention was paid the market for United States Government securities than in some time past, owing to rising debate over the Administration recovery and monetary policies.

BOND PRICES *



(*) Based on statistics compiled by Dow, Jones & Co., publishers of "The Wall Street Journal." German bonds sold heavily in the foreign section, but otherwise movements were small, following the trends in equities. U.S. Government bonds declined.

Incentive was lacking for any large scale dealings in stocks. Only the most hazy notions prevailed regarding the ultimate effects of such measures as the nationalization of silver, which was announced in Washington on August 9. Although this step is frankly inflationary in its implications, it was partly offset by the willingness of the Treasury to permit gold to flow outward in any amounts necessary to give international effect to the new valua-

tion of the dollar in terms of gold.

There was modest buying of the equities of mining companies with interests in gold and silver, when the program was announced, but the movement did not attain very important aspects. The buying of stocks that might benefit from any extensive inflation accounted for much of the small net gains in average prices of stocks. Most listed issues drifted idly from day to day, with quotations at the end of the month very close to those prevalent as it began.

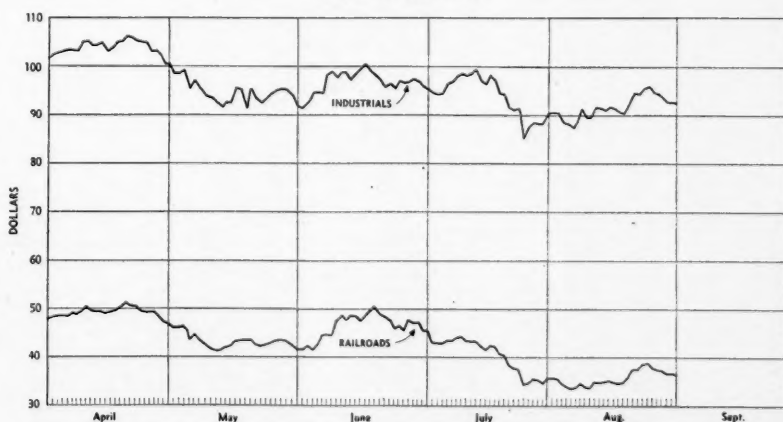
Business developments were not comforting, as employees of large industrial concerns went out on strike after strike, the movement culminating in a serious strike that effected the entire textile industry early in September. There was much uncertainty regarding trade trends in the Autumn, as some important industries reported a decline during the Summer that was more than seasonal, while tendencies early in September were not much improved. The securities markets struggled, moreover, with their own peculiar

problem of the application of the Securities and Exchange Act of 1934.

In the listed bond market the closest scrutiny was paid United States Government securities, which tended to decline rather sharply, not only because of the silver nationalization scheme but also because of mounting criticism of the immense recovery expenditures. German bonds were sold heavily in the foreign section.

Indicative of the dullness that afflicted the markets is a trading volume of only 16,693,000 shares on the New York Stock Exchange throughout August, this being the smallest volume for any August back to 1923. In the preceding month 21,115,000 shares were turned over, while in August of last year the trading was 42,466,000 shares. Only on two days were more than 1,000,000 shares traded. In the listed bond market the total turnover was \$316,000,000 par value, with United States Treasury obligations accounting for nearly half the total, while other groups were exceedingly dull.

STOCK PRICES *



(*) Based on statistics compiled by Dow, Jones & Co., publishers of "The Wall Street Journal." Most listed issues drifted idly from day to day, with quotations at the end of the month very close to the opening level. Trading volume amounted to only 16,693,000 shares, the smallest for any August since 1923.

INTERNATIONAL MONEY MARKETS

IN the realms of business and finance, some apprehensions regarding currency units again were occasioned during August by the continuing monetary experiments of some leading governments and their interference in foreign exchange markets. Of primary importance was the proclamation issued by President Roosevelt on August 9, providing for the nationalization of silver bullion stocks in the United States and payment for the metal within a period of ninety days at a price of 50.01 cents a fine ounce.

Almost equally significant was the removal by the British Exchange Equalization fund of the peg which kept sterling exchange within fairly close and rigid limits in relation to French francs. The British action resulted in a downward movement of sterling and a corresponding enhancement of the gold price in the London auction market. Through the direct and indirect relationships of the dollar, the franc and ster-

ling, the British unit fell late in August to a figure of less than \$5, or to a level not witnessed since early last February.

The precise meaning of these developments was not apparent even to professional economists, or to foreign exchange experts. Perhaps for that very reason, much concern was caused everywhere. The immediate monetary implications, however, are not of enormous moment.

Dollar Abroad Lowered

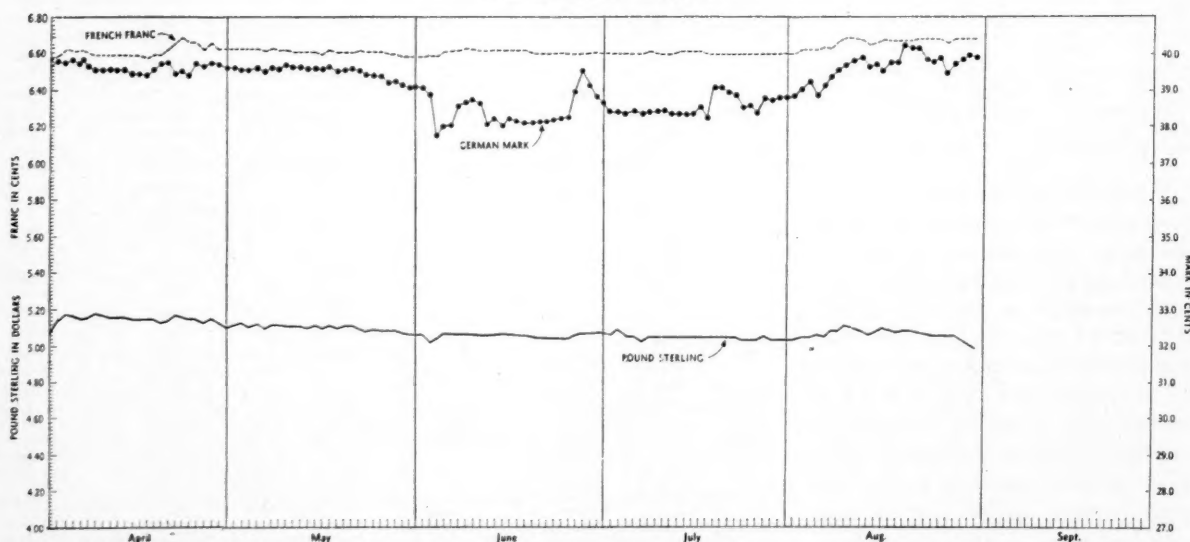
For, the highest estimates placed the available American silver stocks at approximately 250,000,000 ounces, and omission of currency against even that large figure would not, it was believed, occasion any serious dislocation of American monetary arrangements. Provision for the measure was made in the Silver Purchase Act, passed by Congress at the last session, which makes possible the inclusion of silver to the extent of 25 per cent of gold

holdings, in the metallic base for our currency. Based on present gold stocks, however, silver to the weight of 1,300,000,000 fine ounces would be necessary for the complete fulfillment of the authorized inclusion.

Administration policy with respect to acquisition of foreign silver, in order to augment the stocks, has not been disclosed, but it is noteworthy that very large shipments of the white metal promptly began to flow toward these shores. Payment for the metal, combined with other factors, caused an adverse movement of the dollar in the foreign exchange markets.

So decided was the fall of the United States dollar in the international markets that the rate soon dropped below the so-called gold export point of the \$35 an ounce dollar. In accordance with an announcement by Secretary Morgenthau, made earlier this year, gold was made readily available thereupon for shipment to any of

THE DOLLAR ABROAD



So decided was the fall of the U. S. dollar in the international markets that the rate soon dropped below the so-called gold export point of the \$35 an ounce dollar. The downward movement of sterling late in August carried the pound to a figure under \$5, or to a lower level than has been recorded since early last February.

the three central banks that still maintain genuinely free gold markets, namely, the central banks of France, Holland and Belgium. Important shipments to France and some minor shipments to Belgium quickly followed and, for the first time since the quasi-stabilization of the dollar at 59.06 per cent of former parity was effected last January, gold was lost by the United States.

The downward movement of sterling exchange caused an immense amount of conjecture in all circles, but the usual discreet silence was maintained by the British authorities. In London

the view prevailed that seasonal influences were operative and it was pointed out aptly that it is not a function of the British Fund to interfere with seasonal movements. Whatever interpretation may be given, it is plain that the flurry in sterling, combined with the American silver program, caused widespread apprehension in business and financial circles and a corresponding unwillingness to engage in those long-range transactions which are essential for business improvement.

In other respects monetary developments, both national and international, followed closely the

pattern set previously. Debate occurred on a widespread scale in France regarding the advisability of a further depreciation of the franc and it is evident that this question will be argued vehemently when the French Parliament reassembles. Concern regarding the stability of the German mark was general, but Dr. Schacht, the economic dictator, continued to declare that no devaluation will be permitted. With the exception of the dip in sterling and a corresponding reduction of rates of other currencies in the so-called sterling bloc, foreign exchange was steady.

DAILY CLOSING QUOTATIONS OF FOREIGN EXCHANGE (BANKERS' BILLS) IN THE NEW YORK MARKET DURING AUGUST, 1934

Country and Par	Wed. Aug. 1	Thurs. Aug. 2	Fri. Aug. 3	Sat. Aug. 4	Mon. Aug. 6	Tues. Aug. 7	Wed. Aug. 8	Thurs. Aug. 9	Fri. Aug. 10	Sat. Aug. 11	Mon. Aug. 13	Tues. Aug. 14	Wed. Aug. 15	Thurs. Aug. 16
England, checks (Pound \$8.2397).....	5.03%	5.03%	5.04%	5.04%	5.04%	5.06%	5.05%	5.09%	5.09	5.11	5.10%	5.09%	5.07%	5.08%
England, cables (Pound \$8.2397).....	5.03%	5.03%	5.04%	5.04%	5.04%	5.06%	5.05%	5.09%	5.09	5.11	5.10%	5.09%	5.07%	5.08%
France, checks (Franc 6.6335c.).....	6.58%	6.58%	6.61%	6.60%	6.61%	6.63%	6.62%	6.67%	6.66%	6.69%	6.68%	6.68%	6.65%	6.66%
France, cables (Franc 6.6335c.).....	6.59	6.59%	6.61%	6.61%	6.61%	6.63%	6.62%	6.67%	6.67	6.69%	6.69%	6.68%	6.65%	6.66%
Germany, checks (Mark 40.33c.).....	38.74	38.76	39.08	39.12	38.84	39.08	39.33	39.55	39.64	39.83	39.88	39.63	39.66	39.53
Belgium, checks (Belga 23.542c.).....	23.46%	23.46%	23.53%	23.53%	23.54%	23.62	23.59%	23.75%	23.75%	23.84%	23.86%	23.80%	23.73%	23.74%
Belgium, cables (Belga 23.542c.).....	23.47	23.47	23.54	23.54	23.55	23.62	23.60	23.76	23.76	23.85	23.87	23.81	23.74	23.75
Italy, checks (Lira 8.911c.).....	8.57	8.57%	8.61%	8.60%	8.60%	8.62%	8.61%	8.68%	8.68%	8.71%	8.72%	8.70%	8.67	8.68%
Italy, cables (Lira 8.911c.).....	8.57%	8.57%	8.61%	8.61	8.61	8.63	8.62	8.69	8.68%	8.71%	8.72%	8.70%	8.67%	8.68%
Switzerland, checks (Franc 32.67c.).....	32.59%	32.61%	32.74%	32.72%	32.72%	32.83%	32.77%	33.03%	33.02%	33.14%	33.16%	33.06%	32.99%	33.01%
Switzerland, cables (Franc 32.67c.).....	32.60	32.62	32.75	32.73	32.73	32.84	32.78	33.04	33.03	33.15	33.17	33.07	33.00	33.02
Holland, checks (Guilder 68.056c.).....	67.87	67.60%	67.83	67.79	67.80	68.00%	67.80	68.48	68.44	68.68	68.77	68.67	68.47	68.51
Holland, cables (Guilder 68.056c.).....	67.61	67.64%	67.87	67.83	67.84	68.04%	67.94	68.52	68.44	68.72	68.81	68.66	68.51	68.55
Spain, checks (Peseta 32.67c.).....	13.65	13.66	13.70	13.69%	13.70%	13.74%	13.72%	13.83%	13.82	13.87	13.87	13.83	13.80	13.81
Spain, cables (Peseta 32.67c.).....	13.66	13.67	13.71	13.70%	13.71%	13.75%	13.73%	13.84%	13.83	13.88	13.88	13.84	13.81	13.82
Denmark, checks (Krone 45.374c.).....	22.48	22.49%	22.53	22.53	22.54	22.62	22.58	22.74	22.73	22.82	22.82	22.76	22.69	22.73
Denmark, cables (Krone 45.374c.).....	22.49	22.50%	22.54	22.54	22.55	22.63	22.59	22.75	22.74	22.83	22.83	22.77	22.70	22.74
Sweden, checks (Krona 45.374c.).....	25.95	25.98%	26.02	26.02	26.03	26.11%	26.07	26.26	26.25	26.35	26.35	26.26	26.20	26.24
Sweden, cables (Krona 45.374c.).....	25.96	25.99%	26.03	26.03	26.04	26.12%	26.08	26.27	26.26	26.36	26.36	26.27	26.21	26.25
Norway, checks (Krone 45.374c.).....	25.29	25.31%	25.36	25.36	25.37	25.45%	25.40	25.59	25.58	25.67	25.67	25.59	25.53	25.57
Norway, cables (Krone 45.374c.).....	25.30	25.32%	25.37	25.37	25.38	25.46%	25.41	25.60	25.59	25.68	25.68	25.60	25.54	25.58
Czechoslovakia, checks (Crown 4.18c.).....	4.15%	4.15%	4.16%	4.16%	4.16%	4.17%	4.17%	4.20%	4.20%	4.21%	4.21%	4.21	4.19%	4.20%
Czechoslovakia, cables (Crown 4.18c.).....	4.15%	4.15%	4.16%	4.16%	4.17	4.18	4.17%	4.21	4.20%	4.21%	4.22	4.21%	4.19%	4.20%
Greece, checks (Drachma 2.197c.).....	.94%	.94%	.95	.95	.95	.95%	.95%	.96	.96%	.96%	.96%	.96	.95%	.95%
Greece, cables (Drachma 2.197c.).....	.94%	.94%	.95%	.95%	.95%	.95%	.95%	.96%	.96%	.96%	.96%	.96%	.95%	.96
Portugal, checks (Escudo 7.483c.).....	4.60	4.60	4.61	4.61	4.62	4.62	4.62	4.66	4.65	4.66	4.66%	4.67%	4.66%	4.66%
Portugal, cables (Escudo 7.483c.).....	4.60	4.60	4.61	4.61	4.62	4.62	4.62	4.66	4.65	4.66	4.66%	4.67%	4.66%	4.66%
Australia, checks (Pound \$8.2397).....	4.01%	4.02	4.02%	4.02%	4.02%	4.04%	4.03%	4.06%	4.06%	4.08%	4.08%	4.07%	4.05%	4.06%
Australia, cables (Pound \$8.2397).....	4.02%	4.02%	4.03%	4.03%	4.03%	4.05%	4.04%	4.07%	4.06%	4.09	4.08%	4.08	4.06%	4.07%
Montreal, demand (Dollar \$1.6931).....	101.69	101.72	101.75	101.81	100.92	102.19	102.00	102.56	102.50	102.75	102.78	102.22	102.47	
Argentina, demand (Paper peso 71.87c.).....	33.53	33.58	33.63	33.63	33.63	33.75	33.75	34.00	34.00	34.00	34.05	34.00	34.00	33.93
Brazil, demand (Paper milreis 20.25c.).....	8.55	8.55	8.55	8.55	8.55	8.55%	8.57%	8.57%	8.57%	8.57%	8.57%	8.56	8.56	8.52
Chile, demand (Gold peso 20.599c.).....	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Uruguay, demand (Gold peso \$1.751).....	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00

Country and Par	Fri. Aug. 17	Sat. Aug. 18	Mon. Aug. 20	Tues. Aug. 21	Wed. Aug. 22	Thurs. Aug. 23	Fri. Aug. 24	Sat. Aug. 25	Mon. Aug. 27	Tues. Aug. 28	Wed. Aug. 29	Thurs. Aug. 30	Fri. Aug. 31
England, checks (Pound \$8.2397).....	5.10%	5.09	5.08%	5.09%	5.09%	5.08%	5.07%	5.06%	5.06	5.06%	5.03%	5.01%	4.99%
England, cables (Pound \$8.2397).....	5.10%	5.09	5.08%	5.09%	5.09%	5.08%	5.07%	5.06%	5.06	5.06%	5.03%	5.01%	4.99%
France, checks (Franc 6.6335c.).....	6.68	6.66%	6.66%	6.67%	6.69%	6.69%	6.69%	6.67%	6.69	6.69%	6.69%	6.69%	6.69%
France, cables (Franc 6.6335c.).....	6.68%	6.67%	6.67	6.67%	6.69%	6.69%	6.69%	6.67%	6.69	6.69%	6.69%	6.69%	6.69%
Germany, checks (Mark 40.33c.).....	39.73	39.74	40.18	40.13	40.12	39.78	39.73	39.84	39.44	39.67	39.85	39.96	39.88
Germany, cables (Mark 40.33c.).....	39.75	39.76	40.20	40.15	40.14	39.80	39.75	39.85	39.46	39.69	39.87	39.98	39.90
Belgium, checks (Belga 23.542c.).....	23.82%	23.77%	23.77%	23.79%	23.83%	23.84%	23.83%	23.83%	23.76	23.83%	23.80%	23.83%	23.81%
Belgium, cables (Belga 23.542c.).....	23.83	23.78	23.78	23.80	23.84	23.85	23.84	23.84	23.78%	23.84	23.81	23.82	23.82
Italy, checks (Lira 8.911c.).....	8.70%	8.68%	8.68%	8.69%	8.71%	8.71%	8.71%	8.71%	8.69	8.69%	8.70%	8.70%	8.70%
Italy, cables (Lira 8.911c.).....	8.70%	8.68%	8.68%	8.69%	8.71%	8.71%	8.71%	8.71%	8.69%	8.70%	8.70%	8.70%	8.71%
Switzerland, checks (Franc 32.67c.).....	33.07%	33.02%	33.01%	33.06	33.13%	33.13%	33.13%	33.14	33.04%	33.13%	33.14%	33.14%	33.14%
Switzerland, cables (Franc 32.67c.).....	33.08	33.03	33.02	33.06%	33.14	33.14	33.14	33.14	33.05	33.14	33.15	33.15	33.15
Holland, checks (Guilder 68.056c.).....	68.65	68.52	68.52	68.60	68.77	68.76	68.77	68.77	68.52	68.68	68.67	68.65	68.72
Holland, cables (Guilder 68.056c.).....	68.69	68.56	68.56	68.64	68.81	68.80	68.81	68.81	68.56	68.72	68.71	68.69	68.76
Spain, checks (Peseta 32.67c.).....	13.85%	13.84%	13.82	13.83%	13.87	13.87	13.87	13.87	13.82%	13.86%	13.86%	13.87	13.87%
Spain, cables (Peseta 32.67c.).....	13.85%	13.83%	13.83	13.84%	13.88	13.88	13.88	13.88	13.83%	13.87%	13.87%	13.88	13.88%
Denmark, checks (Krone 45.374c.).....	22.78	22.73	22.73	22.75	22.77	22.72	22.72	22.64	22.62	22.63	22.48	22.40	22.30
Denmark, cables (Krone 45.374c.).....	22.79	22.74	22.74	22.76	22.78	22.73	22.65	22.63	22.61	22.64	22.49	22.41	22.31
Sweden, checks (Krona 45.374c.).....	26.31	26.25	26.25	26.26	26.31	26.24	26.15	26.12	26.10	26.14	25.95	25.85	25.74
Sweden, cables (Krona 45.374c.).....	26.32	26.26	26.26	26.27	26.32	26.25	26.16	26.13	26.11	26.15	25.96	25.87	25.75
Norway, checks (Krone 45.374c.).....	25.63	25.58	25.57	25.59	25.62	25.56	25.48	25.45	25.43	25.45	25.29	25.20	25.09
Norway, cables (Krone 45.374c.).....	25.64	25.59	25.58	25.60	25.63	25.57	25.49	25.46	25.44	25.47	25.30	25.21	25.10
Czechoslovakia, checks (Crown 4.18c.).....	4.21	4.20%	4.20%	4.20%	4.21%	4.21%	4.21%	4.20%	4.21%	4.21%	4.21%	4.21%	4.22
Czechoslovakia, cables (Crown 4.18c.).....	4.21%	4.20%	4.20%	4.20%	4.22	4.22	4.22	4.22	4.22	4.21%	4.21%	4.21%	4.22%
Greece, checks (Drachma 2.197c.).....	.96	.95%	.95%	.95%	.96	.96	.96	.96	.96	.96	.96	.96	.96
Greece, cables (Drachma 2.197c.).....	.96%	.96%	.96	.96%	.96%	.96%	.96%	.96%	.96%	.96%	.96%	.96%	.96%
Portugal, checks (Escudo 7.483c.).....	4.66%	4.64	4.67	4.68	4.69	4.69	4.69	4.69	4.65	4.66%	4.66%	4.66%	4.60
Portugal, cables (Escudo 7.483c.).....	4.66%	4.64	4.67	4.68	4.69	4.69	4.69	4.69	4.65	4.66%	4.66%	4.66%	4.60
Australia, checks (Pound \$8.2397).....	4.06%	4.07	4.07%	4.07	4.07	4.06%	4.05%	4.05%	4.04%	4.04%	4.02%	4.00%	3.99%
Australia, cables (Pound \$8.2397).....	4.07%	4.07%	4.07%	4.07	4.07%	4.06%	4.06%	4.06%	4.05	4.05%	4.03	4.01%	3.99%
Montreal, demand (Dollar \$1.6931).....	102.53	102.44	102.59	102.78	103.19	103.22	102.97	102.97	102.97	102.97	102.59	102.26	102.13
Argentina, demand (Paper peso 71.87c.).....	33.93	33.93	33.93	34.00	34.00	34.00	33.80	33.80	33.80	33.76	33.76	33.43	33.43
Brazil, demand (Paper milreis 20.25c.).....	8.62	8.62	8.62	8.62	8.63	8.63	8.61	8.61	8.61	8.61	8.61	8.61	8.61
Chile, demand (Gold peso 20.599c.).....	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Uruguay, demand (Gold peso \$1.751).....	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00

THE BOOK REVIEW

PRINCIPALS OF STATISTICS

WITH the growth in the size of business units, the use of credit, and the development of complex types of organization, more dependence is being placed each year on numerical records in the administration of large enterprises and in the formation of plans for expansion. The collection, presentation, analysis, and interpretation of such numerical records, or data, generally is defined as statistics.

To explain the various uses of business statistics and to list the sources from which data may be obtained, this comprehensive handbook has been prepared with special consideration given to the needs of the beginner in business. The fundamental concepts of statistics are analyzed in a manner that will appeal to the young executive desirous of dispelling some of the confusion arising from the rather sophisticated presentation of much of the numerical data today.

PRACTICAL BUSINESS STATISTICS, by Frederick E. Croxton, Ph.D., and Dudley J. Cowden, Ph.D. 529 pages. Published by Prentice-Hall, Inc., New York. Price \$3.50.

INFLUENCE OF THE MIND

Business goes on in men's minds, not in offices, shops or warehouses. For, the forgotten factor in business, or at least the one frequently overlooked, is human behavior. Starting with that as the premises, an entirely new point of view has been given to the causes of depressions and business revivals by an eminent psychologist and business consultant. A seven-point program for a steadier commercial course is suggested.

In giving specific information on the history and character of the depression, there is provided

an outstanding non-technical summary of recent business history which holds much of value for any one earnestly concerned in the present and future of himself, his business, and his country. The work reflects an exhaustive study of stock market, bank, and business curves, and their interrelation in boom and depression periods. Each one of the twenty major depressions since the days of the Revolution, it is stated, has been followed by greater wealth and higher standards of living than were possible of attainment in the period preceding these economic upheavals.

FAITH, FEAR AND FORTUNES, by Daniel Starch, assisted by Roger Barton. 226 pages. Published by Richard R. Smith, New York, N. Y. Price \$2.

A STUDY OF SILVER

For more than sixty years, the United States has witnessed almost constant strife over money questions, principally over those of gold and silver. Hardly a session of Congress has been free from much acrimonious debate on the subject and some attempted legislation. Today the battle has been renewed.

Parity, ratio, nationalization, standard, monetary commodity, inflation, remonetization, seignorage—what is it all about? A distinguished corporation lawyer, who has made a life-long study of money, brings these questions to judgment before the "bar of experience."

SOUND AND UNSOUND MONEY, by Hon. Twyman O. Abott. 223 pages. Published by The Telegraph Press, Harrisburg, Pa. Price \$1.50.

THE FARMER'S POSITION

The experiences of the past sixteen years have taught that it does not pay to neglect agricultural interests, for no nation

can exist "half boom and half broke." Even more emphatically the lesson has been driven home that an unplanned, riotously unrestrained agriculture contributes no more to an economically-balanced nation than does an unbridled, capitalistic industrialism galloping according to its wildest fancies in the pastures of a "laissez-faire regime."

How much has been learned in recent years as to the principles and processes upon which a sound national policy with regard to agriculture should be based, not only to meet the present emergency, but to serve the long-time welfare of an entire nation—urban as well as rural? These are the questions which this volume attempts to illuminate, not in a dogmatic or categorical manner, but with the attitude of discovering the best knowledge available toward solving such difficulties.

AMERICAN FARM POLICY, by Wilson Gee, Professor of Rural Economics, University of Virginia. 146 pages. Published by W. W. Norton & Company, Inc., New York, N. Y. Price \$1.50.

HISTORY OF THE AUTOMOBILE

The commonplace of the automobile in modern daily life makes its significance pass unnoticed and few pause to consider that the first motor-car is little more than a generation old. Probably no other invention in the world's history has been of such far-reaching importance or has so quickly exerted influences that ramified through the national culture, transforming even habits of thought and language.

While helping to make every one conscious of the marvelously rapid development of a new art, a new convenience, and a new means of transportation, this book unfolds the history of General Motors, which is acknowl-

edged as one of the world's largest industrial corporations in many respects. The period from its birth in 1908 to the present is covered. The early history of the various units that have gone to make up General Motors is traced in the early chapters. The latter part of the book gives a comprehensive discussion of the basic business and financial policies which have marked its more recent success.

The personal histories and character sketches of the inventors, financial geniuses, scientists, and business statesmen who contributed to this momentous achievement, as well as sidelights on the history of the automobile industry in general provide illuminating reading. The accomplishments of these men have altered the lives of all now living and will affect those of generations to come. While making automobiles, the General Motors also has been making history.

THE TURNING WHEEL, by Arthur Pound. 517 pages. Published by Doubleday, Doran & Co., Inc., Garden City, New York. Price \$3.50.

A NEED FOR ARBITRATION

When a code is granted, a new type of industrial engineer called a code authority is placed in charge. The task of fitting that unit into the new industrial design then begins in earnest. This book is concerned with one very small pattern in this new design. That is, the administration of justice equally and even-handed to all alike by the men who control the destiny of the new society and to those who make up its fabric.

With the particular merits of the experiment—as to whether it is sound or unsound, wise or unwise, balanced or unbalanced, profound in its wisdom or sketchy in its understanding—this book is not concerned. It quite simply faces the fact that the society is being constructed and that somewhere into that structure must be built a judicial system which will rise above the day's toil, scramble,

and strife into a serene atmosphere, where things are seen as they actually are and not composed into pictures.

Looking back over the past year's experiment and progress, and reflecting on the ripening of the partnership between industry and business, it has seemed that the new structure sagged here and there for lack of the great benefits and advantages which have accrued to civilization through the centuries, by reason of arbitration, might be lost, and that industry's own system, built so patiently and so well over many generations, might flounder hopelessly.

With the changes now taking place, the author emphasizes the necessity for more thought being given to the use of arbitration, not only in securing compliance with codes on the basis of justice and integrity, but in making the industrial mind more generous and hospitable, its judgments more flexible, and its comprehension more open to economic adventure and political invention.

ARBITRATION IN THE NEW INDUSTRIAL SOCIETY, by Miss Frances Kellor, Vice-President of the American Arbitration Association. 256 pages. Published by McGraw-Hill Book Company, Inc., New York, N. Y. Price \$2.

MODERNIZING SPAIN

A collection of intimate personal sketches of the reformers and educators in Spain of the generation of 1868 forms one of the most comprehensive and accurate descriptions of conditions at that period ever published. A particularly clear picture is presented of the forces which led up to the Second Republic in 1931, beginning with an account of the intellectual and educational stagnation of Spain before the revolution of 1868, and showing how the dawn of intellectual liberty heralded a political movement which led to the abortive revolution of 1868, the First Republic, and the restoration of the Bourbons in 1875.

The educational activities of the reformers for the evolution of a

new Spain by new methods have been singularly presented to emphasize the successful results obtained by the adoption of the "Junta para Ampliación de Estudios" in the training of the country's youth. Questions of the value of monarchical or republican forms of government and of clerical or lay teaching in schools are measured by practical results and not by theoretical implications of an ideal state.

THE ORIGINS OF MODERN SPAIN, by J. B. Trend, Professor of Spanish at the University of Cambridge. 220 pages. Published by The Macmillan Company, New York, N. Y. Price \$2.50.

A NEW SALES METHOD

Every one is a salesman. The selling may be confined to merchandise or a service, to time or personality. Selling does not end with the exchange of goods for cash to a merchant or to a retail customer, for frequently it is necessary for a man to sell himself to his wife, his family, his friends, or his employer.

This book was written to help make every one a better salesman, regardless of the category into which the selling may fall. The author is one of the best-known salesmen in the United States, and out of his own failures and success he has developed a new and compelling idea of salesmanship. The best thing about the idea is that it works.

There are chapters especially for the travelling salesman, for the clerk behind the counter, for the young man or woman just beginning a career, and for the salesman over forty. There are messages, too, for the thousands of women who sell, and for those whose selling carries them from door to door. Improved results are held to follow the application of this new method, whether a man sell neckties, locomotives, neighborliness, or merely a more satisfying life to himself.

THE CO-GIVER, by Vash Young, with a preface by Chesley Robert Palmer. 253 pages. Published by The Bobbs-Merrill Company, New York, N. Y. Price \$1.50.

COTTON GOODS BUYING LARGE DURING AUGUST

by C. S. WOOLSLEY

COTTON goods buying in August was very large, stimulated by the placing of huge Surplus Relief Corporation orders and by the constant threats of a national strike in the industry, which was finally called as the month closed. The Government orders included millions of yards of tickings, printed cloths for comfortables and wide cloths for sheets and pillowcases.

Business in print cloths ran far in excess of current production, estimates running as high as two and one-half times the volume of output. The curtailment plan, under which mills were operating 75 per cent of capacity for twelve weeks, ended on August 25 and some mills resumed full-time operations in the week before the strike was called.

Strike Hastens Deliveries

Except so far as strikes may interfere with production, orders in hand for the lines mentioned above will keep some mills fully engaged for two or three months. In the last half of the month, as strike talk continued, many buyers became anxious and ordered shipments of all goods possible, whether on order for August or September.

Many of the large chain stores and catalogue houses and some of the large wholesalers also entered the markets for domestics and miscellaneous lines. They found encouragement in the prospect of an enhanced purchasing power likely to come from Government expenditures of many kinds in agricultural and industrial sections. Southern buying was increased as a result of a Presidential order advancing the price of protected cotton to 12c. from the 10c. pre-

vailing last year and by the distribution of checks for reducing cotton acreage.

Stock Conditions Improved

Stock conditions at the end of the month were greatly improved in first hands as a result of large buying and prolonged curtailment. In miscellaneous lines there are few indications of any immediate shortage to come from idleness in mills affected by strikes. In view of the exciting influence affecting trade, it was noted that prices did not advance sharply and at the close of the month there were many instances of goods being available under the current high cost of production.

Ginghams continued in very active demand and now are better sold ahead in the mills of the large producers than they have been for several years. The business done on wide flannels for cutting-up purposes was also very full. The movement in towels was broader than for three months previous and

full sales were made in bleached domestics, including sheets and pillowcases. As the month was closing, there were indications of a revival in the finishing trades after a very dull Summer.

Retail Sales Larger

A substantial increase in activity in many retail stores about the middle of the month led to more inquiries and purchases from retailers than at any time since early Summer. The Summer congestion in the movement of work suit and work shirt made-up goods did not prevent shipments of fabrics for those purposes and as the month was closing trade in the finished lines was improving. Printed percales sold at advancing prices.

Plans were under way in the industry to try and secure permission from the N.R.A. to organize and carry out curtailment of production when needed to regulate the relations of supply and demand, not to exceed 15 per cent over a twelve-month period, but,

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owing to unsettled conditions, no action was taken and mills will continue to operate on full-time schedules until October 1, so far as industrial regulation is concerned.

The action of the Government on price protection for the farmer and the initial estimate on cotton yield (the lowest since 1896) leave manufacturers confronting a high raw material market, plus the processor tax of 4.2c. per pound, which was continued by governmental order. The very high cost of cotton goods, in relation to the costs of other textiles, is expected to militate against a full consumption, measured against that of a year ago, when cloths were available from cotton more than 50 per cent lower than at present.

Wool Division Dull

The wool goods business did not fare so well as other lines. At the close of the month, more than 130 mills were idle from lack of business and the largest producer gave notice of a closing of its largest plants at Lawrence, Mass., for two weeks in September. A price concession in the raw material was not considered enough by cloth buyers, although it was stated to be in keeping with reductions in foreign auction markets.

On the last day of the month the leaders of the strikes in the textile industry announced that work-

ers in wool goods mills were notified to leave their machines, but, as that industry is slimly organized and work very scarce any way, it is not thought that the labor trouble will be much of a factor in holding goods back from the markets, if they are needed. Much less than normal provision for Fall requirements for cutting either men's or women's wear has been made thus far and when normal demand is again resumed, as it is expected to be before September is far along, it is known that scarcity in several cloth lines will be apparent.

Mills making men's wear declined to build up stocks without orders in hand and the trade looks for an active demand for staples when fancies cannot be had. The trend of buying thus far has been to order low and medium-priced lines and much the same condition exists in the women's wear division.

Silk Demand Stronger

Curtaiment of production planned and ordered by the Silk Code Authority was not approved in some parts of the industry and the order was withdrawn. In the last two weeks of the month silk goods orders began coming in freely on both finished and unfinished cloths. Prices were particularly low, due to the continued very low prices on raw silks of all

grades. Up to the late days of the month, when the silk industry was drawn into the strikes in the national textile field, hopes were strong that predictions for a better Fall demand were to be verified.

Promotions to advance silk production and consumption are under way, and on some of the costlier and heavier silks some houses have done better than for some years past. This tendency held right through August, but it was noted that unwillingness to produce in advance of firm orders was quite as strong in the silk division as in other lines. As the month closed, serious conditions were forecast in the silk dyeing and finishing divisions and the general strike ordered may bring about cloth scarcity early in the Fall retail trade.

Rayon Prices Unchanged

Rayon yarn sales in August were relatively best in acetate fibers and in many of the coarse denier viscose fibers. Production continued held down fully equal to 25 per cent for an average in the industry.

As the month was drawing to a close, business on acetate rayon fabrics showed distinct improvement and a great many new types of synthetic yarn cloths came into the markets. Books for October yarn orders were opened as August ended, without price change.

DAILY SPOT PRICES AT LEADING COTTON CENTERS DURING AUGUST, 1934

	Wed. Aug. 1	Thurs. Aug. 2	Fri. Aug. 3	Sat. Aug. 4	Mon. Aug. 6	Tues. Aug. 7	Wed. Aug. 8	Thurs. Aug. 9	Fri. Aug. 10	Sat. Aug. 11	Mon. Aug. 13	Tues. Aug. 14	Wed. Aug. 15	Thurs. Aug. 16
New Orleans, cents...	13.08	13.04	12.93	13.02	13.06	13.15	13.63	13.80	13.59	13.44	13.44	13.30	13.43	13.36
New York, cents.....	13.20	13.20	13.10	13.15	13.20	13.30	13.75	13.95	13.75	13.55	13.60	13.45	13.60	13.50
Savannah, cents.....	13.13	13.07	12.95	13.01	13.03	13.15	13.58	13.77	13.58	13.39	13.43	13.28	13.42	13.35
Galveston, cents.....	13.20	13.00	12.90	13.00	13.00	13.10	13.55	13.75	13.55	13.35	13.35	13.20	13.35	13.30
Memphis, cents.....	12.70	12.80	12.65	12.75	12.80	12.90	13.35	13.45	13.30	13.10	13.15	13.00	13.10	13.10
Norfolk, cents.....	13.03	13.00	12.90	12.95	13.00	13.10	13.55	13.75	13.55	13.35	13.40	13.28	13.42	13.35
Augusta, cents.....	13.13	13.09	12.97	13.05	13.08	13.19	13.63	13.82	13.63	13.44	13.48	13.33	13.47	13.40
Houston, cents.....	13.00	13.00	12.90	12.95	13.00	13.10	13.55	13.70	13.55	13.35	13.35	13.25	13.40	13.40
Little Rock, cents.....	12.67	12.65	12.52	12.60	12.68	12.83	13.28	13.47	13.28	13.08	13.13	12.98	13.12	13.05
Fort Worth, cents.....	12.70	12.65	12.50	12.60	12.65	12.75	13.20	13.35	13.20	13.00	13.15	13.05	13.20	13.10
Dallas, cents.....	12.70	12.65	12.50	12.60	12.65	12.75	13.20	13.35	13.20	13.00	13.15	13.05	13.20	13.10

	Fri. Aug. 17	Sat. Aug. 18	Mon. Aug. 20	Tues. Aug. 21	Wed. Aug. 22	Thurs. Aug. 23	Fri. Aug. 24	Sat. Aug. 25	Mon. Aug. 27	Tues. Aug. 28	Wed. Aug. 29	Thurs. Aug. 30	Fri. Aug. 31
New Orleans, cents...	13.23	13.06	13.25	13.35	13.13	13.30	13.42	13.30	13.19	13.31	13.34	13.17	13.26
New York, cents.....	13.30	13.15	13.40	13.55	13.30	13.40	13.50	13.35	13.25	13.35	13.40	13.20	13.35
Savannah, cents.....	13.18	13.02	13.20	13.35	13.11	13.19	13.30	13.15	13.04	13.22	13.25	13.06	13.17
Galveston, cents.....	13.20	13.05	13.25	13.40	13.20	13.25	13.40	13.30	13.20	13.30	13.35	13.20	13.30
Memphis, cents.....	12.90	12.75	12.95	13.10	12.85	13.00	13.10	12.95	12.85	12.95	12.95	12.80	12.90
Norfolk, cents.....	13.20	13.00	13.20	13.33	13.10	13.20	13.30	13.15	13.05	13.17	13.20	13.02	13.12
Augusta, cents.....	13.23	13.06	13.26	13.39	13.15	13.24	13.35	13.20	13.10	13.22	13.24	13.07	13.17
Houston, cents.....	13.25	13.10	13.30	13.45	13.20	13.35	13.45	13.30	13.20	13.35	13.35	13.20	13.30
Little Rock, cents.....	12.87	12.70	12.90	13.04	12.80	12.90	13.00	12.85	12.75	12.87	12.88	12.71	12.80
Fort Worth, cents.....	12.95	12.80	13.00	13.10	12.90	12.95	13.10	12.95	12.90	13.00	13.00	12.85	12.95
Dallas, cents.....	12.95	12.80	13.00	13.10	12.90	12.95	13.10	12.95	12.90	13.00	13.00	12.85	12.95

BUSINESS CONDITIONS, BY DISTRICT

Akron There has been some decline in retail sales during the past week and retail collections have slowed up moderately. This is claimed due largely to the fact that the local rubber companies still are laying off employees and it is generally known that those who have held their positions, in the majority of cases, will work only four days a week for the present.

It is claimed that this lay-off is due to the fact that the automobile industry is slow in placing its orders for new tires. The wholesale trade is holding up fairly well, as are collections, especially in the wholesale grocery, meat and beverage lines.

Atlanta Department stores report that sales held up well during August, with an increase over 1933 of 15 to 18 per cent. Specialty shops in women's wear and millinery have had good business, with increases averaging 12 to 15 per cent.

Sales of men's clothing show a 25 per cent increase, and sales of furnishings and shoes are 15 to 19 per cent larger than a year ago. Shops are showing advanced styles in Fall merchandise, but only slight increases in prices are noted. The wholesale trade is opening up satisfactorily.

Baltimore Retail trade quickened at the close of August, as a consequence of weather conditions, and remains at a level somewhat above last year's. Industry, on the other hand, continues to lag and is dependent, to some extent, on Government, State and municipal expenditures.

In consumer goods more interest is apparent. The strike threat in textiles and reduced inventories give promise of higher operating schedules. Food processors' operations also are at a brisker pace.

The levels of employment and pay rolls in Maryland manufacturing industries remain above those of the preceding year. Maryland factory employment is about 10.2 per cent higher than in 1933 and the amount of combined weekly earnings is about 28 per cent higher.

Boston Although operations of cotton mills during the past month were somewhat below the corresponding period of last year, the mills were released on August 25 from the restriction requiring them to curtail 25 per cent, and it is expected that operations in many instances will be increased. Not only is the Government coming into the market for many millions of yards of cotton goods, but there is more call for finished cottons from other quarters. Advances by the mills of $\frac{1}{8}$ c. to $\frac{1}{4}$ c. per yard, however, have tended to restrict buying to some extent. Cotton yarns still are quiet, without price change.

Some increase in interest has been noted in the wool market during the month, but buyers still hesitate to make commitments. Sentiment, however, continues favorable and in some quarters slightly higher prices are expected. Some sampling of mohairs is reported, and carpet wools are moderately active. The demand for wool tops is limited, but there has been a slight increase in the call for deliveries on orders already placed.

Although satisfactory arrangements have been made to take the surplus hides off the market, prices have turned lower and a substantial volume of hides have changed hands during August. Many of the leading producers of shoes are marking down their prices slightly, particularly the men's line, which are from 5 to 10 per cent below previous quotations.

Bridgeport Production continued to show slight gains during August, with certain manufacturers operating night shifts. The trend and outlook continue to be favorable. Sales and collections remain the same, approximately, as last month, with no great change taking place.

Employment continues to increase. Building activities still are at a low ebb. Retailers report better business for the month.

Buffalo Factory employment and pay rolls diminished slightly and the number of barrels of flour milled decreased to some extent during August. Railroad carloadings outbound increased, but the outbound tonnage decreased. Retail trade showed a mild revival attributed largely to cooler weather. The local wholesale produce markets showed accelerated dealings with values of several items, including tomatoes, corn, eggs and butter, moving slightly higher. The prices of corn and hogs moved up sharply with the processing tax on hogs a contributing factor.

Cincinnati Advent of cooler temperatures, attended by rainfall, have stimulated general trade and, as the Autumn season advances, further gains are anticipated. Steadily-mounting prices for farm products have improved conditions in the rural districts, and major industries, which have been dragging in production and distribution during recent weeks, are hopefully looking for a decided upturn in trade movements in the Fall.

Market Week, sponsored by local wholesalers and manufacturers during the week ended August 25, resulted in an increased number of visiting merchants with subsequent improvement in house trade. Preparations for school, in-

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cluding special sales of coats and other wearing apparel, materially aided distribution among leading department stores, and sales in this division continue above 1933 levels.

Forward buying in the clothing industry has been of sufficient proportions to keep leading plants operating on capacity basis until the end of the Fall shipping season, about November 1, 1934. Spot orders for heavyweight garments have picked up during the week and the volume booked so far is substantially in excess of last year's totals.

Cleveland Trade is not expected to show any marked pickup until after Labor Day, although some additional business is anticipated as a result of the National Air Races. Department stores are featuring women's Fall coats, children's school wear and men's apparel. Semiannual furniture sales are in their last week.

The most important industrial announcement in many months was made when details of the proposed merger between the Republic Steel Corporation, Corrigan McKinney Steel Company and Truscon Steel Company were made public. Corrigan McKinney, the largest independent steel company in the Cleveland district, has an ingot capacity of 1,000,000 tons annually.

Also of considerable local interest is the threatened textile strike, which would have a serious effect on Cleveland industry. Manufacturing activities continue on a restricted scale, and August, in general, was the poorest month in industry this year.

Columbus, Ohio Business in this vicinity seems to have been retarded a little during August. It is believed by some retail merchants that demand has slowed up, owing to the between-season period, but sales are equal to those

of a year ago. In industry, there has been a slight decrease in a number of lines over last month.

Dallas While as good or better than a year ago, business in most lines fell off here in August. Declines over July amounted in some lines to as much as 10 to 20 per cent. Most of the dullness is in non-essentials, though some of the basic lines such as drugs, dry goods and shoes are not so active as they ordinarily are at this time of the year. This slackening is attributed to increasingly cautious buying, because of the long drought, which now is nearing its fifth month.

Despite this recent let-down in activity, the year to date has brought a generally larger volume of business in practically all lines and, due to the better price level, it has been a volume which has enabled well-managed businesses to earn a profit. Local department store sales continue to run about 30 per cent ahead of last year. Automobile sales are 50 per cent ahead.

Dayton A superficial examination of the statistics for this month would seem to denote a decided slump in almost every item. It must be kept in mind, however, that August is about the end of the seasonal Summer recession. Upon closer examination, it will be seen that while in pay rolls, employment and carloadings, there are decreases, these are only in keeping with the natural slackness of this time of year.

It must be noted for proper comparison that all of these same items, with the exception of building permits, which activity has not been greatly stimulated, as yet, carry substantial increases to date this year over the same period of 1933, denoting a steady increase of business in general. If, as is to be expected,

the pay rolls and employment take an upturn in the Fall, and sustain themselves at the same rate as the past seven months, pay rolls will be approximately \$15,000,000 more this year than last. A like increase in employment must take place to make this true.

Denver There was a moderate increase in the volume of wholesale business in the Rocky Mountain territory, as compared with that of the month preceding, Fall buying being more strongly in evidence in a number of lines. Orders gained sufficiently to carry the total 4 to 10 per cent above that for August 1933.

No expansion of consequence was noted in retail sales, the total continuing 5 to 10 per cent above last year's comparative figures. The crop situation continues satisfactory, but yields of the major crops are not expected to rise much above the reduced estimates announced a few weeks ago.

Detroit The recent showers and the lower temperature helped the general mercantile movement of consumer goods to rise fully 10 per cent above that for the corresponding period of last year. Part of this is attributed to higher prices; 3 to 8 per cent on foods and a 2 to 3 per cent decline on dry goods and kindred lines. Besides, the cooler weather of the last two weeks, retail trade has been aided by buying Fall and Winter clothes, in anticipation of higher prices, in case the anticipated textile strike retards or disorganizes production.

In this State, perhaps to a greater extent than any within the drought zone, farm income this year will be substantially higher than last year, by reason of higher prices for the residue saved, together with Government benefit payments. This will aid business in the rural sections throughout the central-northwest counties.

Duluth Business in this territory showed no material change from that of the preceding month, though the trend in wholesale circles was toward a slightly increased volume. Retail sales were substantially the same.

Industrial activity is not such an important factor from the standpoint of manufacturing, due to the limited number of concerns engaged in that line at this point. One of the unfavorable features is the prospective smaller grain crops to be moved by the railroads this Fall, which otherwise provides considerable additional activity. The employment situation is substantially unchanged.

Erie Retail trade, while somewhat below the level prevailing in 1933, increased somewhat toward the close of the month, attributed to colder weather and the necessity of purchasing supplies for school children. Wholesale trade expanded somewhat, particularly in hardware and electrical lines, although a slight decrease is apparent in textile and kindred items.

There has been no increase in manufacturing, but decline has not been beyond seasonal proportions and several manufacturers of heavy items report the backlog of orders somewhat in excess of any period since early in 1931.

Hartford Manufacturers here experienced a dull August, but this recession which started in July is normal for this time of the year. Sales are off about 30 per cent and employment 10 per cent, compared with June, but bookings are ahead of July.

Some manufacturing lines are becoming more active. Electrical supply manufacturing already is better, and the refrigeration line is holding up well. It is expected that man-hours will be back to normal in September.

Due to Government curtailed tobacco crops and weather conditions, farm employment has been below last year and this has caused an unusual gain in public welfare cases.

Dry goods wholesalers report August sales as about 10 per cent ahead of last year, which compared with an average gain of 12½ per cent for previous months. Department store sales showed a little improvement over July, which was a poor month.

Indianapolis Retail trade still is experiencing the usual Summer slowness during the first twenty days of August, department store sales showed a drop of about 4 per cent over the same period of last year. The cooler weather of the final week, however, brought greater sales activity and a slight increase over the corresponding period of 1933.

Manufacturing operations are continuing as usual, production being somewhat curtailed and with no noticeable improvement at the present time. It is interesting to note that the coal-mining industry of Indiana, which has been very seriously affected during the past several years, has shown a marked improvement during 1934 and that production and earnings will make a heavy increase over 1933.

Jackson Although acreage was curtailed this year, growing conditions have been favorable and it appears that this State will harvest a cotton crop this year comparable in quantity with previous years. Due to an anticipated short crop in other sections and the Government's action in pegging the price at 12c. a pound, it is almost certain that the net proceeds from the 1934 cotton crop will be more this year than at any time since 1928. The ginning season will start about September 1.

Manufacturers are running full time and wholesalers state that business is good. To sum up the situation in Mississippi, conservative authorities are of the opinion that this State can reasonably expect the best Fall business since 1928.

Jacksonville Business conditions in this section can be classed as more or less quiet. There is very little building activity. The retail trade is fairly quiet, as is usual with

this season. There will probably be some pick-up when vacations are over. Wholesale grocers are enjoying a somewhat better trade due to an increase in prices.

Kansas City Wholesale trade, in the aggregate, for August showed slight gains over last August, but following three slow months of Summer business the year to date barely has managed to do equal the volume for the first eight months of 1933. Men's and women's wear, dry goods, drugs, groceries and funeral supplies are among some of the lines reporting better business, while jewelry, furniture and building material still are quite slow.

Local city stores, the larger retail and department stores, report sales slightly under August of a year ago, although sales show some upward turn, because of vacationists' returns and the near approach of school opening.

Little Rock Continued hot weather has discouraged showing of Fall merchandise and department stores report slow movement of items for school needs. Light weight materials are moving in but small volume. Sales compare favorably with recent weeks, but volume is somewhat below the same period of last year.

Wholesalers have substantial inventories in anticipation of good volume this Fall. Manufacturers of house dresses and popular-priced cotton goods women's wear are increasing inventories due to the threatened textile strike. Building material men report increase in inquiries, attributed largely to property owners, with intention of utilizing the Government's housing program.

While the feeling in this section is buoyant, there is some anxiety over conditions in the drought area. There are 26 counties on emergency drought relief, while 38 counties are on the secondary relief roll.

Los Angeles Trade at both retail and wholesale remained unchanged during August. Late Summer merchandise continues to

lead in retail stores, with Fall lines accorded only minor attention thus far. Retailers continue to buy largely from hand to mouth for immediate needs. However, inquiries being received, together with reports of travellers, lead wholesalers to a moderately optimistic feeling relative to Fall business. Evidence points to but a marking of time until the opening of Fall weather.

Manufacturing and industry are holding steady with building beginning to show tangible results of the stimulation provided by the Federal home modernization program.

Lynchburg The shoe industry continues to be the leader of all manufacturing enterprises, as factories are operating on a full-time basis, and a large amount of orders are steadily being received. One local cotton manufacturer has closed down for a two-week period, due to the N.R.A. code, and hosiery and overall manufacturers continue on a part-time basis.

Minneapolis Following conclusion of the truckers' strike there was a sharp increase in volume of both wholesale and retail trade in Minneapolis. The increased activity was derived largely from the filling of accumulated orders, but the effect has been to create a more hopeful feeling.

There has been no change in the local flour market situation, there having been little increase in volume of production during the month. The initiation of important Government-financed projects is continuing to help the employment situation in this section and is maintaining wholesale and retail trade on an even keel.

Nashville While wholesale and retail sales were somewhat below July's, as compared with August, 1933, results throughout the State seem to have been reasonably satisfactory. With most industrial concerns, production has gone forward, and sales continue to rise. An unusual volume throughout this section is expected during the

next few months. There has been little or no reduction in factory employees.

Results from farm activities has been most favorable, producers having a steady demand for their products, and for which they are receiving a very satisfactory price.

Newark Distribution at retail is continuing along seasonal lines, with little apparent change during the month. Fall styles of women's wear now displayed have been favorably received, but emphasis is still being placed on reduction of lightweight wear, placing carry-over at minimum or nearly so.

Industry, including manufacturers, is seasonally quiet, with no apparent disposition to accumulate inventory. Uncertainty for the time being seems to be felt among manufacturers of silk and in the textile trade, due to unadjusted employees' claims. Cash reserves with local banks are large, with a continued subnormal demand for commercial paper. The general volume of business is about on a level of last year at this time.

New Orleans Both wholesale and retail trade continue without particular change and volume of sales is holding up well. Increased trading and liquidation of receivables is anticipated, as the cotton crop is coming in fast.

Norfolk Both wholesale and retail houses are laying in stocks comparable to those of last Fall, when the expectation of drastic increases caused some houses to overbuy. As yet, retail Fall buying has not started, but sales of staples are holding steady, and there appears to be little doubt that the first cool days will bring a rush of trade fully up to the present bright expectations.

Philadelphia Retail sales in this district held up surprisingly well all during August, and while the percentage of gain was not so wide as for some of the earlier months of the year, the level was higher by a fair margin than in 1933. The general trend of sales

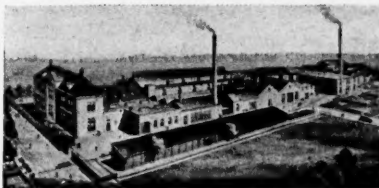
toward the close of the month turned more strongly upward.

There was no widening of industrial schedules of any consequence during August, but employment gained slightly, due to the expansion of Federal appropriations and the many public projects under construction. Unskilled workers now are obtaining part-time employment at reasonably good wages. Business in rural districts is broadening steadily.

Pittsburgh There has been a slight increase in the volume of business transacted at wholesale and retail, but the improvement is not large, and the total volume of business is somewhat lower than a year ago at this time. Cooler weather and the early opening of schools have stimulated buying of Fall merchandise to some extent, and there is a freer movement of men's and women's wearing apparel, dry goods and shoes. Sales of automobiles and parts have fallen off somewhat, and quietness prevails in hardware and builders' supply lines. Wholesale jewelry trade has shown a moderate improvement, and is averaging higher than in 1933.

Industrial operations are at a much lower level than they were last year at this time, due principally to the sharp curtailment of

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steel mill operations, which are at the lowest level of the year. There has been comparatively little change in the demand for plate and window glass, and operations in both lines are still at a low level, although the average is higher than in August, 1933. There has been a fair demand for containers, as well as for bar glassware, but most lines of pressed glassware are moving very slowly.

Richmond While sales in major wholesale lines continue to show a gain over the corresponding month of last year, the percentage for July and August was not comparable with the six preceding months. Groceries, drugs and hardware made the best showing for August, but dry goods and shoes were below seasonal levels.

Manufacturing has slowed down perceptibly, particularly furniture and shoes, although there are a few lines, notably tobacco and lumber which are more active. The improvement in lumber is due to the movement from mills to yards, in anticipation of expanding sales on account of Government housing plans.

The exceptionally favorable position of Virginia in regard to crops is expected to stimulate trade this Fall. Local tobacco markets have not opened, but prices prevailing to the South presage a profitable crop.

St. Louis Retail sales, lagging in July, picked up considerably and, as a result for the month, as a whole, are expected to equal last August. Cooler weather and the prospect of schools reopening have been favorable influences. Wholesale distribution was somewhat accelerated by the reinstatement of orders previously cancelled. Wholesale orders for luxuries were well ahead of last year.

Industrial operations were reduced except in a few lines. Cash prices to first hands on stable commodities reflect modest gains over last month, and substantially ahead of a year ago. Carloadings

were ahead of August, 1933. Bank clearings were larger. Demand deposits were up over a year ago.

St. Paul Wholesalers, jobbers and retailers report that during the final week of August the first evidence was apparent of an improvement in business since May of the current year. This condition is, to some extent, attributed to the settlement of labor difficulties, general rainfall over the Northwestern States, with resultant cooler weather and bettered outlook in the agricultural district.

San Francisco The slaughter and packing of 200,000 head of cattle from the drought regions, purchased by the Federal Government, is giving Bay region slaughtering plants and canneries capacity operations, some of these working twenty-four hours a day. Plans are under way which contemplate later the slaughter of two millions or more sheep and goats under the same general program that will require several months of fulfillment.

Local banks now are prepared to make loans under the Federal Housing Act, which is expected to help building construction and repair activities, now at the lowest ebb in years.

Scranton In the food products field, both wholesalers and retailers continue to transact a good volume of business with a moderate degree of success. While those engaged in the manufacture of lace and garments are not operating to capacity, the plants are working steadily with increased forces.

The five major coal-mining companies, with extensive holdings in this section of the Anthracite field, and approximately twenty large independent operators are hopeful of a better market, both from a standpoint of price and demand for the coming late Fall and Winter months and are consequently averaging from 20 to 22 working days per month.

Seattle The scheduling of extra ships for the annual seasonal

movement of Northwest fruits and European ports and heavy arrivals of canned salmon from the Alaska canneries featured local shipping activity during August. The fresh apple movement apparently will be heavy during the ensuing season, as a large number of ships have been scheduled extra for this trade.

With a large pack for the season in nearly all districts and some of the canneries still working, the movement of canned salmon into Seattle from Alaska has been one of the largest in years, and will continue heavy for several weeks.

Tacoma Locally, there has been a change for the better in retail and wholesale conditions, increasing employment gradually helping both, as the thousands of men returned to work by the strike settlement have received pay checks.

Toledo Consumer buying turned pronouncedly stronger as the month drew to a close and retailers had the best week in more than a month. Sales were 13 per cent larger than in the comparative period of 1933.

The increase in wholesale volume was not so large, but the total orders continued ahead of last year's and inquiries being received augur well for a rather abrupt expansion following Labor Day.

Manufacturing operations generally are being well maintained. Production of safety glass has fallen off somewhat, due to the smaller orders from the automotive industry, but shipments continue to top those of a year ago.

Wichita Rains throughout this vicinity will benefit late crops and cooler weather will no doubt stimulate early Fall buying. Quite a little of the new merchandise is being displayed and the department stores anticipate a good business during September.

Considerable interest is shown in the new housing projects, and, while no loans have been made here at this time, when this deal gets into active operation it will, no doubt, prove helpful.

ADM.
KARY